Maui County IT Assessment

Final

Appendix: Recommendation Detailed Descriptions

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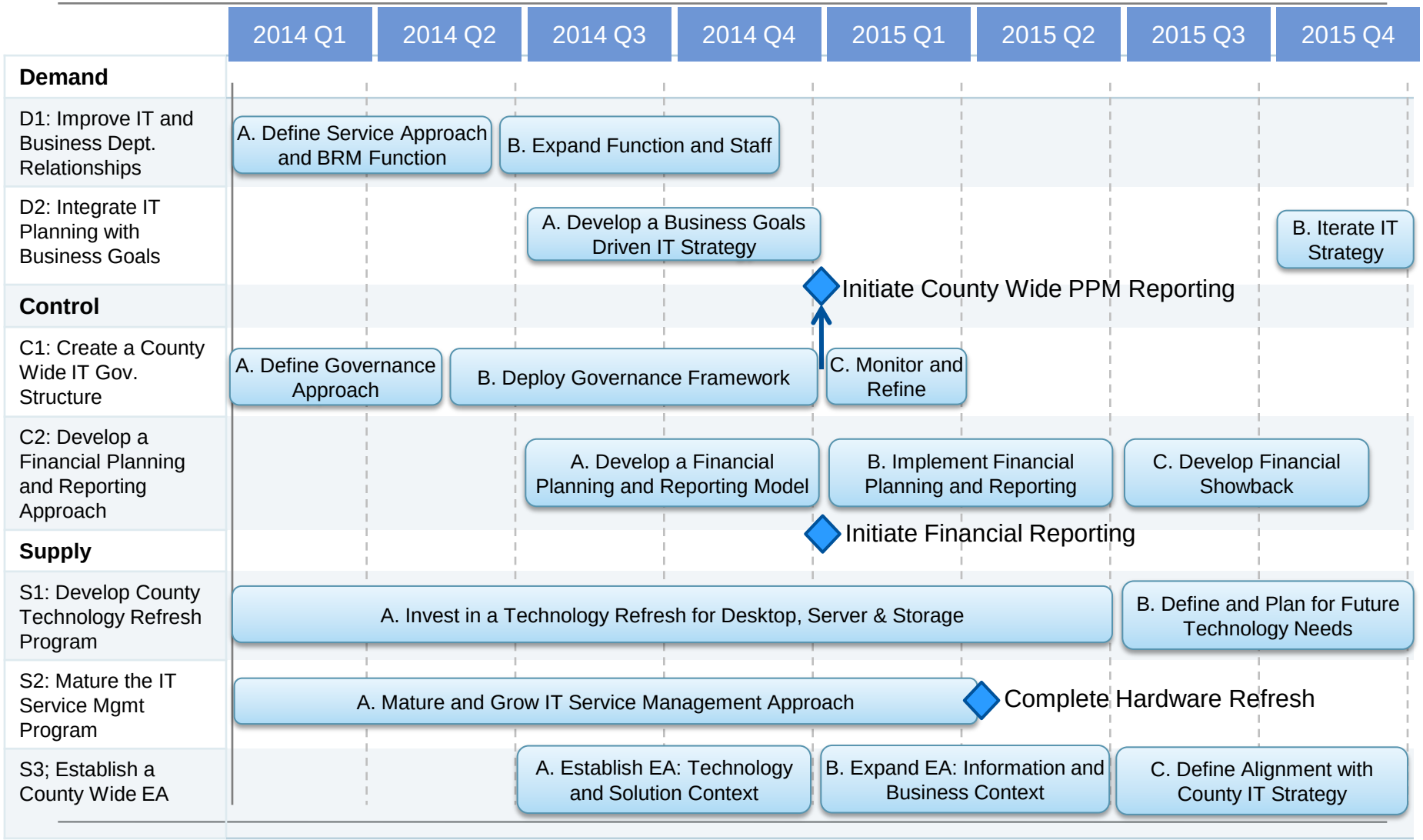
Document Purpose and Objective

- Purpose and Objectives of this document include:
  - Providing additional details regarding the recommended initiatives, include Gartner's perspective on best practice material and approaches
  - Show sample artifacts where applicable
  - Define initial steps and activities necessary to successfully launch each recommended initiative
- This is a supporting document that is based on the information presented in the IT Assessment Recommendations and Final Report presentations

Listing of Initiatives Suggested By Gartner

Domain	Category	Initiative	Timeframe
Demand	IT Contribution	D1. Create Business Relationship Management Program	Immediate
	IT Contribution	D2. Integrate IT Planning with Business Goals	Near term, iterate
Control	Governance	C1. Create a County Wide IT Governance Structure	Immediate, iterate
	IT Financial Management	C2. Develop a Financial Planning and Reporting Program	Secondary
Supply	IT Services	S1. Develop County Technology Refresh Program	Immediate
	IT Services	S2. Mature the IT Service Management Program	Ongoing, maintain focus & measure
	Enterprise Architecture	S3. Establish a County Wide Enterprise Architecture (EA)	Near term, iterate out of projects

Suggested Initiative - Roadmap and Milestones



Milestone

Activity

BRM: Business Relationships Manager
PPM: Project and Program Management
EA: Enterprise Architecture

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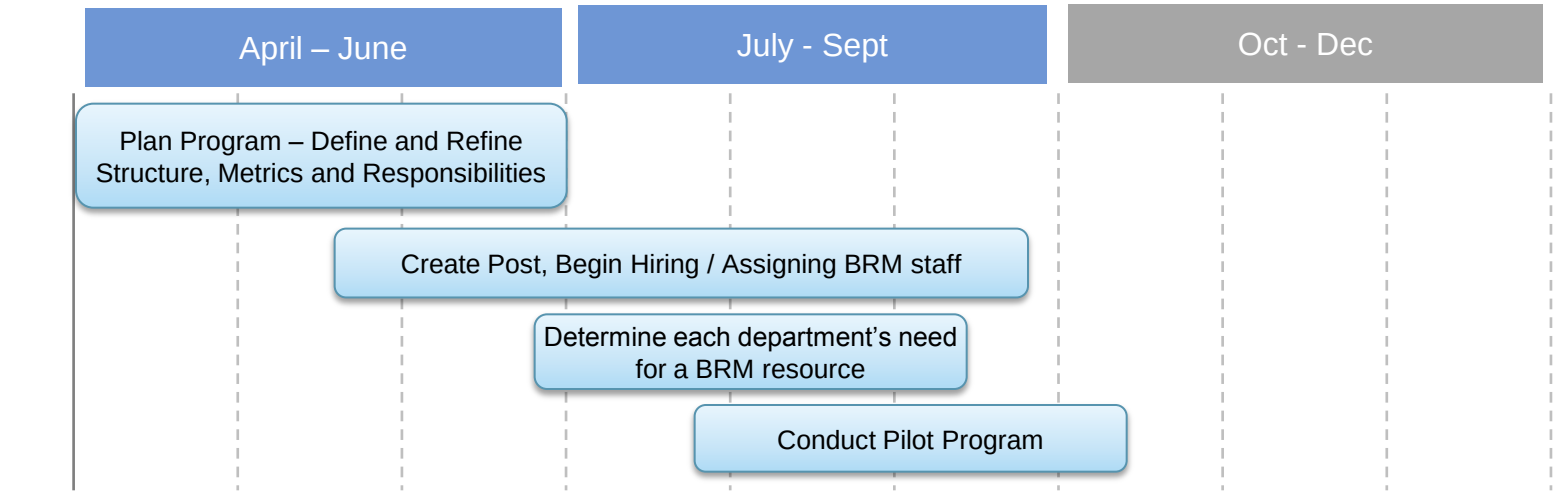
Summary of Recommendation Components and Near Term Roadmap
D1. Create Business Relationship Management Program

Recommendation Components

- Plan and refine program:
  - Define structure, approach, and staffing needs for service delivery
  - Define key metrics for tracking performance
  - Define role of the Business Relationships manager, differentiating from other responsibilities such as App Support
- Determine each department's need for a BRM resource
- Create job posting and being assigning or hiring BRM staff
- Conduct pilot of program



Milestone

Initiative

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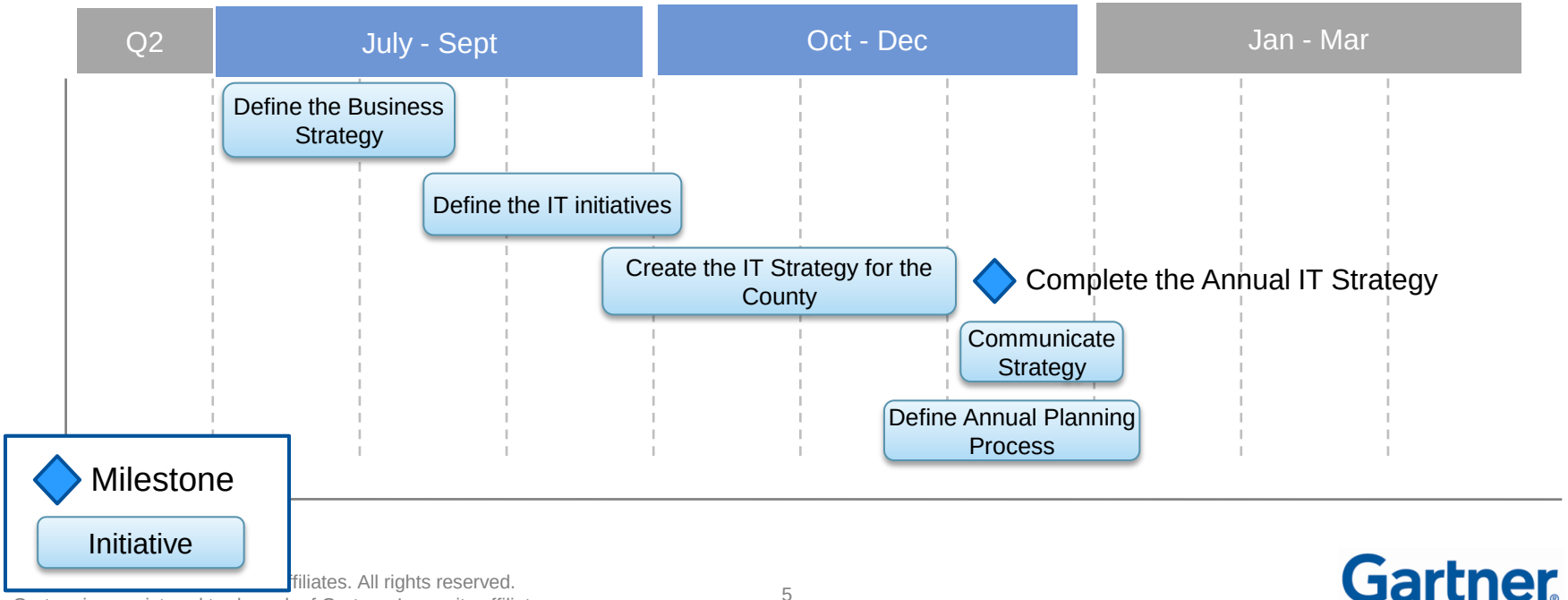
Summary of Recommendation Components and Near Term Roadmap
D2. Integrate IT Planning with Business Goals

Recommendation Components

- Work with business to understand their strategies, including:
  - Current year and future vision, principles, and goals
  - Capture all relevant metrics and other traceable objectives
- Define IT objectives, imperatives, and initiatives necessary to meet the business strategies
- Create the IT strategy for the county
  - Conduct gap analysis based on ITS's ability to to meet business strategies
  - Define and prioritize initiatives, including timeframes and budgets
- Communicate the IT Strategy
  - Socialize and gather buy-in for the plan with County Senior Executives
- Define repeatable annual IT planning process, including investment analysis and prioritization

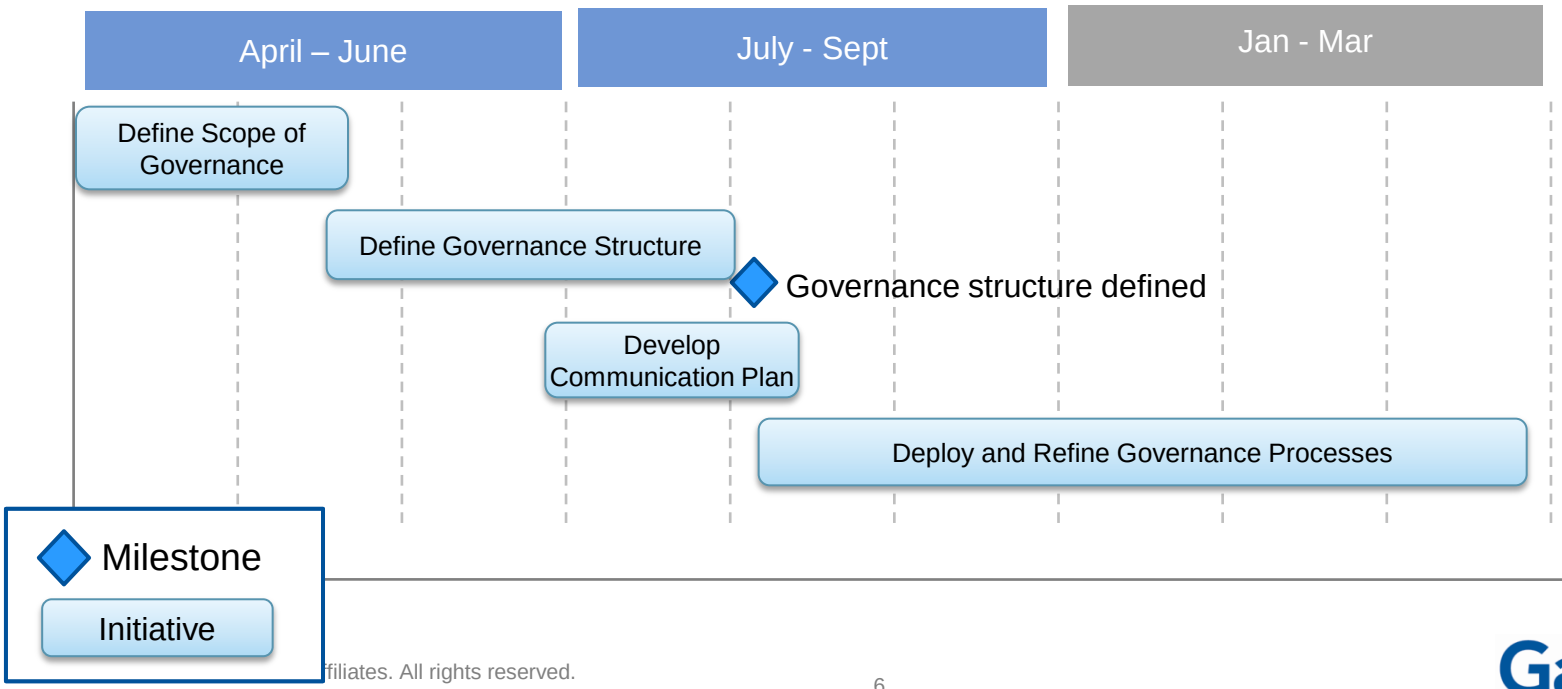


Gartner

Recommendation Components and Near Term Roadmap
C1. Create a County Wide IT Governance Structure

Recommendation Components

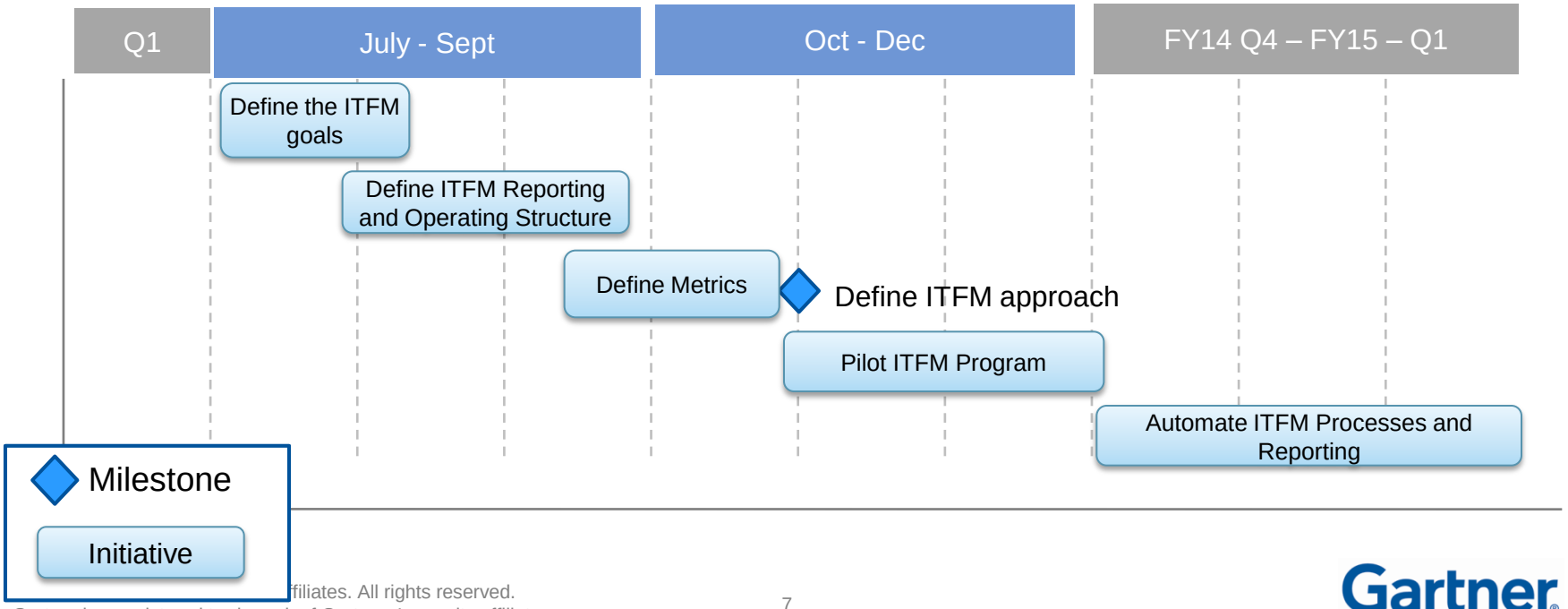
- Define the scope and guiding principles of the governance structure
- Define decision-making structure, includes the entities involved and their roles and responsibilities
  - Define decision-making forums / committees
  - Define the decision making criteria, including metrics to tracked and reported on
  - Define responsibilities for inputs, accountability, communications, etc. for the governing bodies involved in governance structure
- Assign resources and develop a communications plan
- Deploy governance, rolling out through a pilot program



Summary of Recommendation Components and Near Term Roadmap
C2. Develop a Financial Planning and Reporting Program

Recommendation Components

- Define the scope and goals for IT Financial Management (ITFM)
- Define the the financial tracking and reporting structure for the ITFM operations
  - Build on existing governance processes and the service delivery approach
- Define and select the appropriate project and operational metrics to track
- Pilot the ITFM process for a controlled function and refine
- Automate process through reporting tools (e.g., dashboards) and ITFM management tools
  - Adoption of tools should be based on an evaluation and business case



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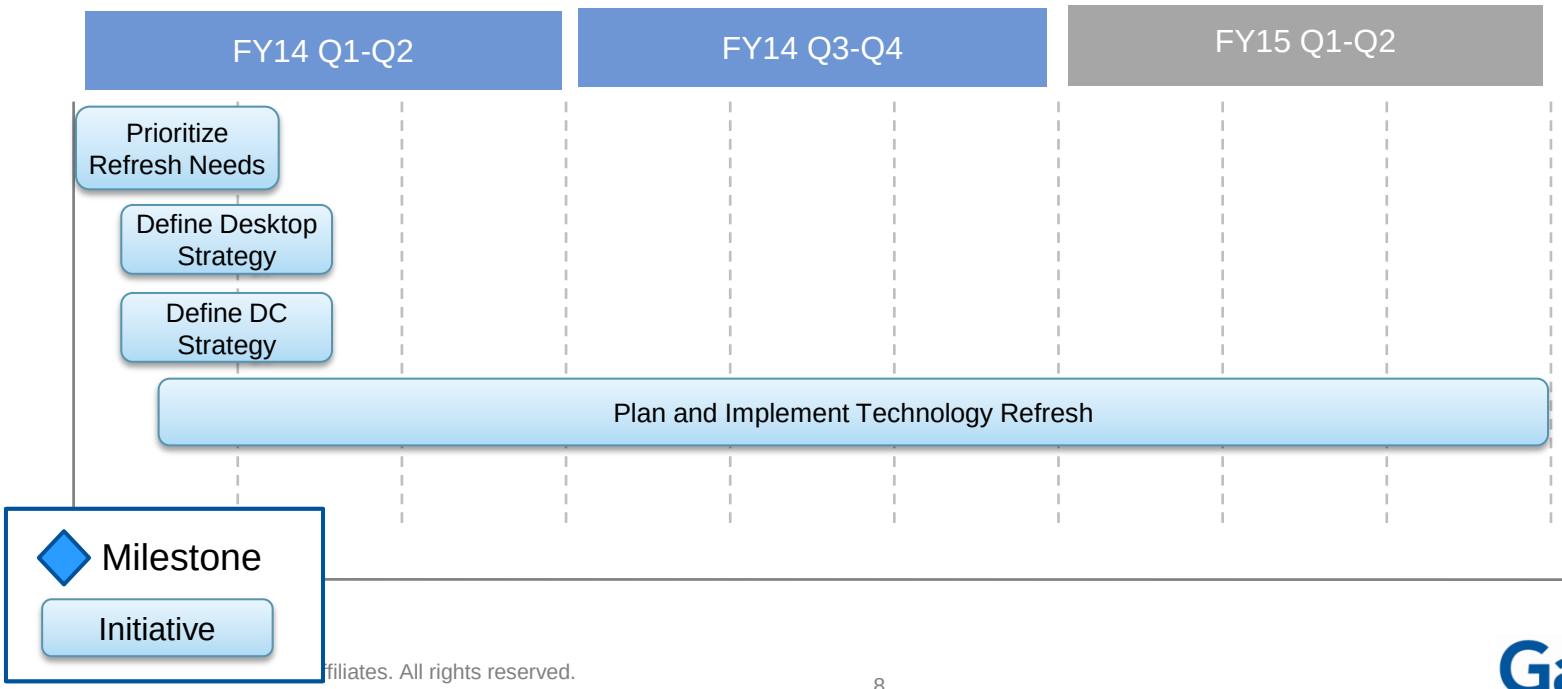
Recommendation Components and Near Term Roadmap
S1. Develop County Technology Refresh Program

Recommendation Components

- Work with departments to prioritize define desktop computing refresh needs
  - Define priorities based on user types
  - Define risk factor for aging infrastructure and tools
  - Evaluate ability to create standards / a catalogue to define technology offerings and configurations
- Define strategy to simplify desktop environment
- Define a data center (DC) modernization strategy
- Plan and implement the technology refresh deployment plan



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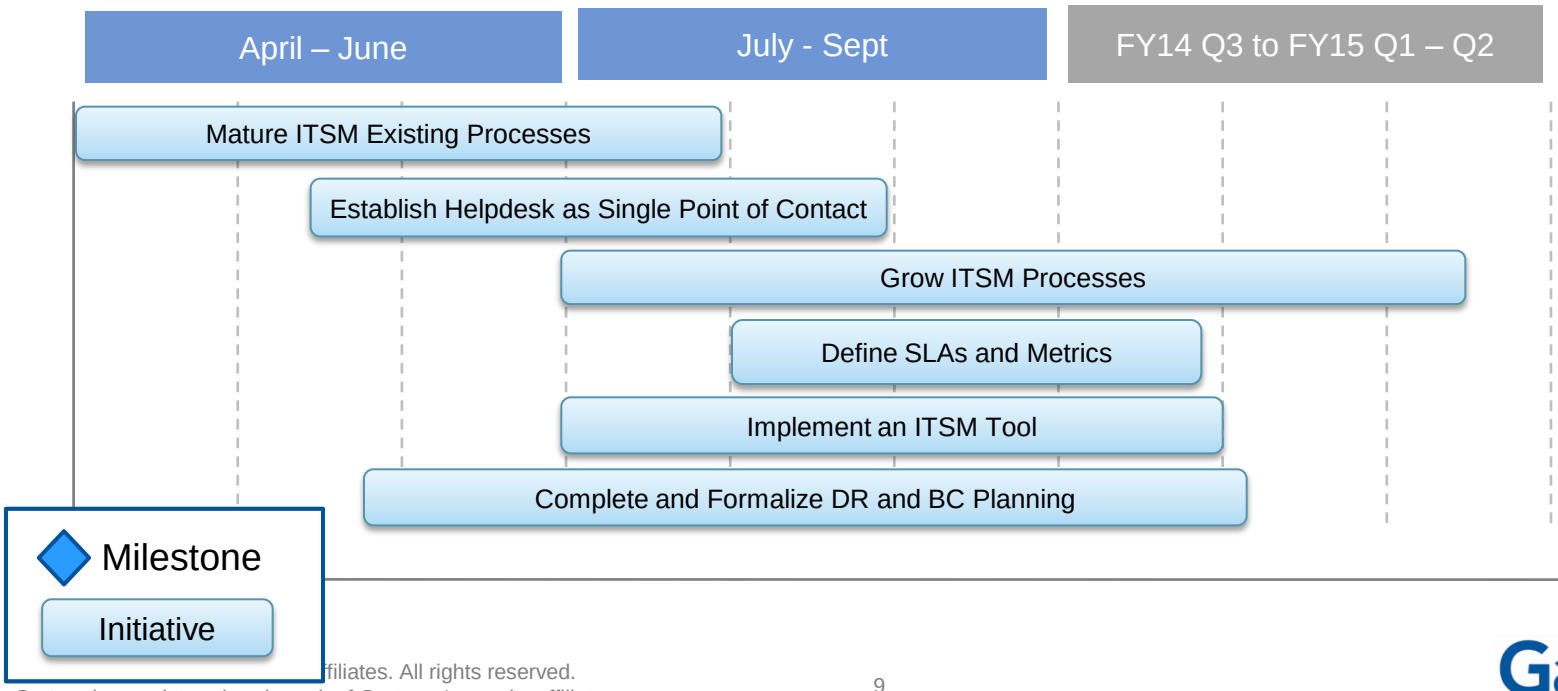
Recommendation Components and Near Term Roadmap
S2. Mature the IT Service Management (ITSM) Program

Recommendation Components

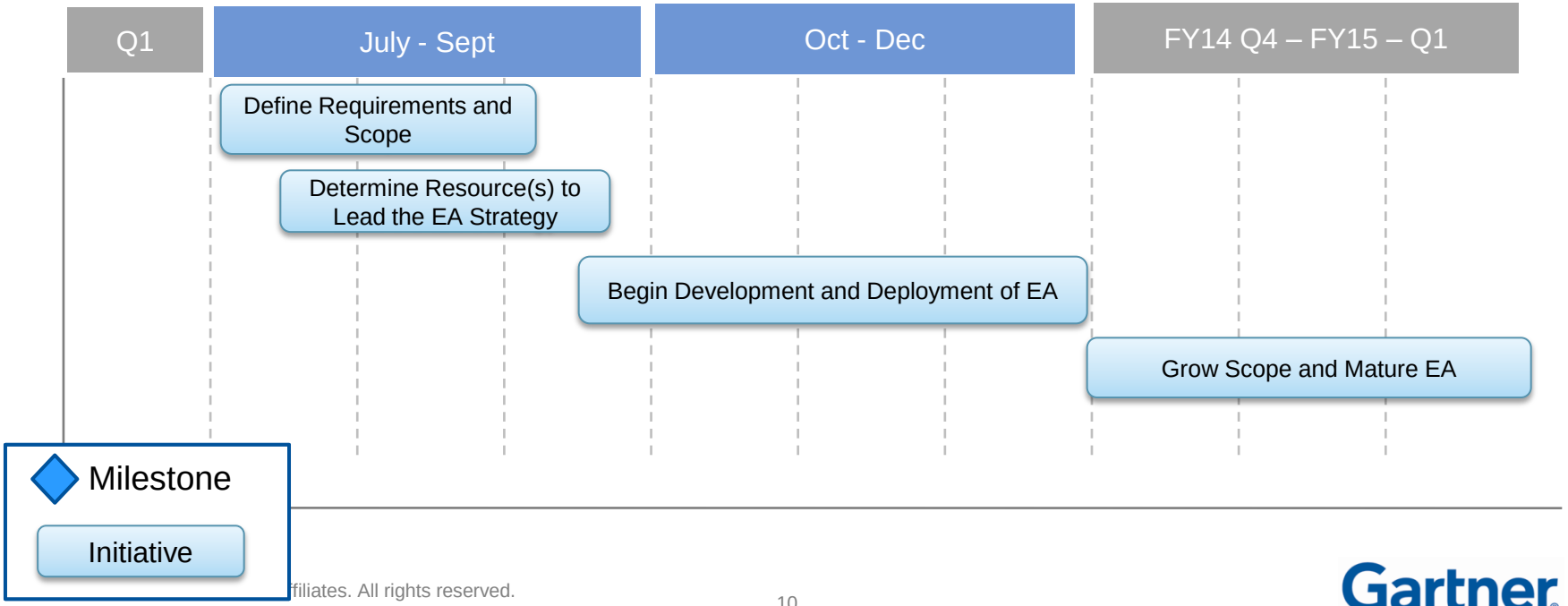
- Mature existing ITSM processes
  - Track and analyze metrics for all existing processes
  - Continue to train staff on ITSM (ITIL) standards
- Establish help desk as the single-point of contact for service issues
- Grow ITSM processes based on requirements and capabilities
- Define SLAs and metrics with business
- Select and implement ITSM tool
- Complete and formalize existing Disaster Recovery (DR) and Business Continuity (BC) Planning



Summary of Recommendation Components and Near Term Roadmap
S3. Establish a County Wide Enterprise Architecture (EA)

Recommendation Components

- Define requirements, scope and strategy for EA in Maui
  - Evaluate and adopt an appropriate industry standard framework
- Evaluate internal skills and abilities to implement EA
  - If gap exists, hire resources or source an external service provider to drive effort
- Begin initial development and deployment of components, artifacts, and metrics
  - Evaluate ability to build artifacts as part of projects
- Grow scope of EA over time, such as to maturing components and standards, creating a business reference and information architectures, etc.
  - Update and mature EA standards with the changing business needs over time



Roadmap
Recommendation Summary and Development Components (Cont.)

Recommendation	Development Components
S3. Establish a County Wide Enterprise Architecture (EA)	▪ Define operational requirements that driver server architecture plan ▪ Assess alternatives – value, cost, schedule, risk ▪ Select alternatives ▪ Implement ▪ Manage and measure performance ▪ Tactically: Identify and fix IT Infrastructure high risk exposures ▪ Define operational requirements that drive architecture plan ▪ Assess alternatives – value, cost, schedule, risk ▪ Select alternatives ▪ Implement ▪ Manage and measure performance

Initiative D1

Create Business Relationship Management Program – Description

Overview:	Expected Benefits:
Overall goal is to improve the working relationship and processes between IT and the Business through several different activities. Key function is to define the IT Service Delivery approach based on a Process-Optimizing approach. Business Relationship Manager (BRM) role can play a key role in helping to make this effort successful - both in IT's ability to successfully deliver service to the business and to ensure the business needs are understood and represented to IT. These resources must have appropriate influence internally, and they must understanding the culture, collaborate across organizational boundaries, be able to think strategically, and comprehend customer needs.	• Increased transparency and expectations for IT's service offerings and processes • Improved ability to support the success of business goals • Improved communications between IT and Business • Improved business demand management and tracking

Initiative D1

Create Business Relationship Management Program – Key Actions

Activities	Timeline:

A. Define Service Approach and BRM Function
▪ Define structure for service delivery, including defining the necessary people, skills, structures, processes, etc.
  ▪ Establish basic measures (quantitative and qualitative) to be used in defining success for the business and IT
▪ Define BRM role (e.g., responsibilities, skills, and competencies), including scope of the function across business / IT
  ▪ Differentiate responsibilities from related roles, e.g., App Managers
  ▪ Design the reporting structure and shared performance metrics
  ▪ Determine each department's need for a BRM resource
  ▪ Assess internal candidates and determine needs for external hires
▪ **Key**: Pilot program with a small number of resources and departments
	4 - 6 months

B. Expand Function and Staff ▪ Refine process and structure based on pilot program ▪ Grow the BRM function by adding staff and additional departments ▪ Expand the performance metrics tracked along with the reporting functions, seek to combine this effort with the IT Governance structure processes and structure	6 - 8 months

Initiative D1
Improve Business IT Relationship Actions – Best Practice Discussion

The following slides provides best practice information in support of recommended actions:

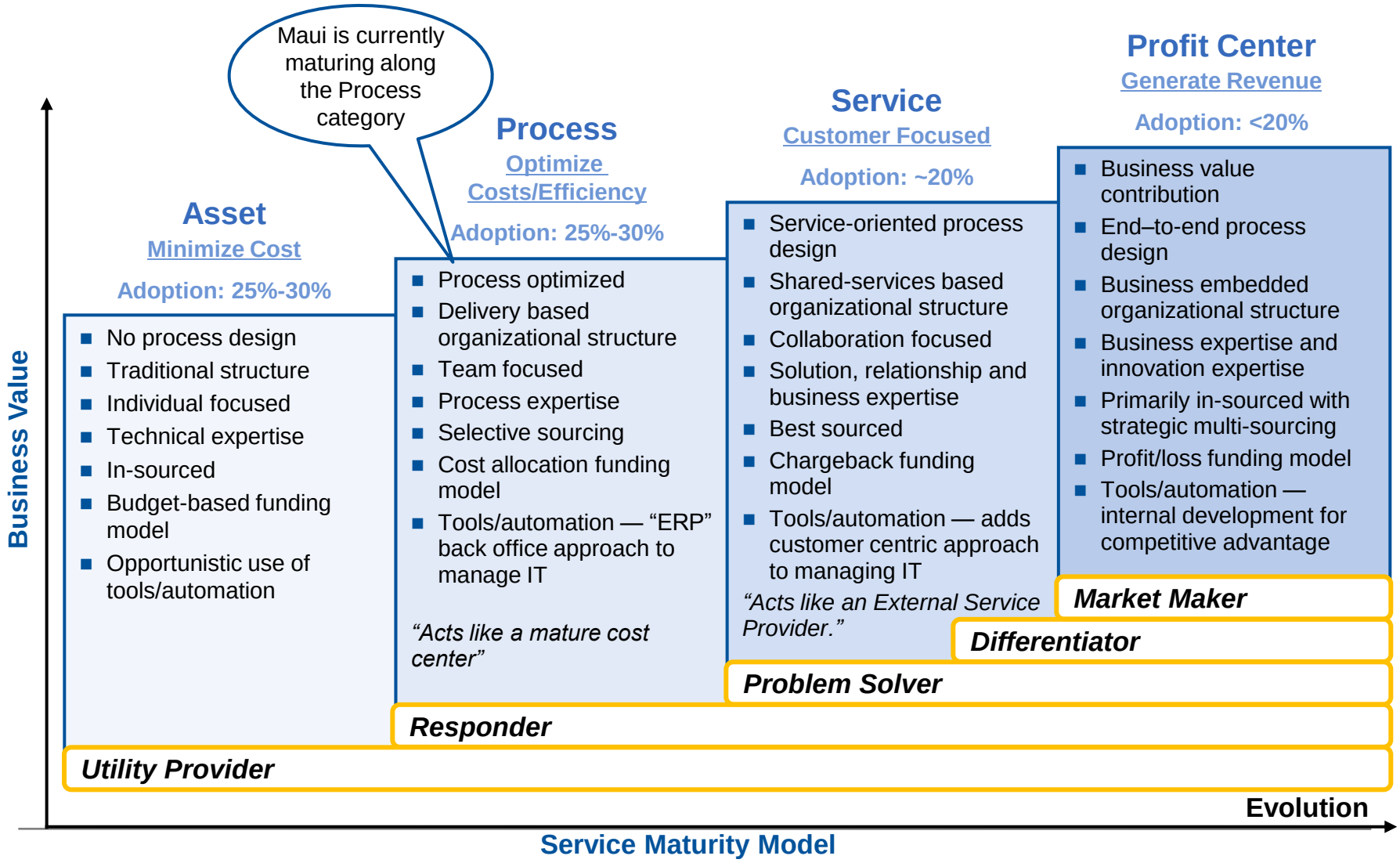
Key Action	Objective	Best Practice Summary
Define structure for service delivery	Define service levels and capabilities	Service Maturity Model
		Future Target Objectives
	Establish Service Measurement	Scorecard and Metrics: Three Domains for Measurement
		Guidelines for Measurement
		Seeking Metrics: Key Principles
Establish Business Relationship Management Capability	Business Relationship Manager (BRM)	Roles and Success Criteria
		Effectiveness of the Business Relationship / Liaison Function
		BRM Target Measures

Initiative D1
Improve Business IT Relationship – Execution

- The key to improving the Business and IT Relationship is to first define Maui's approach for IT Service Delivery
  - Gartner recommends targeting a Process-Optimizing Focus
  - Sub-set elements for organizational structure, people, skills, sourcing, etc. must all be considered and address for the Service Delivery approach
- Maui must developed metrics to measure the effectiveness of IT's service delivery
  - Scorecards and metrics should be explicitly developed for both IT and the Business
  - Maui's approach and focus should be that (IT as a service organization cannot optimize what it does not manage and track"
- To drive the success of this initiatives, Maui IT must assign Business Relationships Managers (BRMs) to work with assigned business units in understanding their business, defining their technology needs, and working as the liaison with IT
  - For Maui, these resources may also play a BA function

D1. Improve IT Business Relationship – Define Service Levels and Capabilities

Service Maturity Model



D1. Improve IT Business Relationship – Define Service Levels and Capabilities

Future Target Objectives

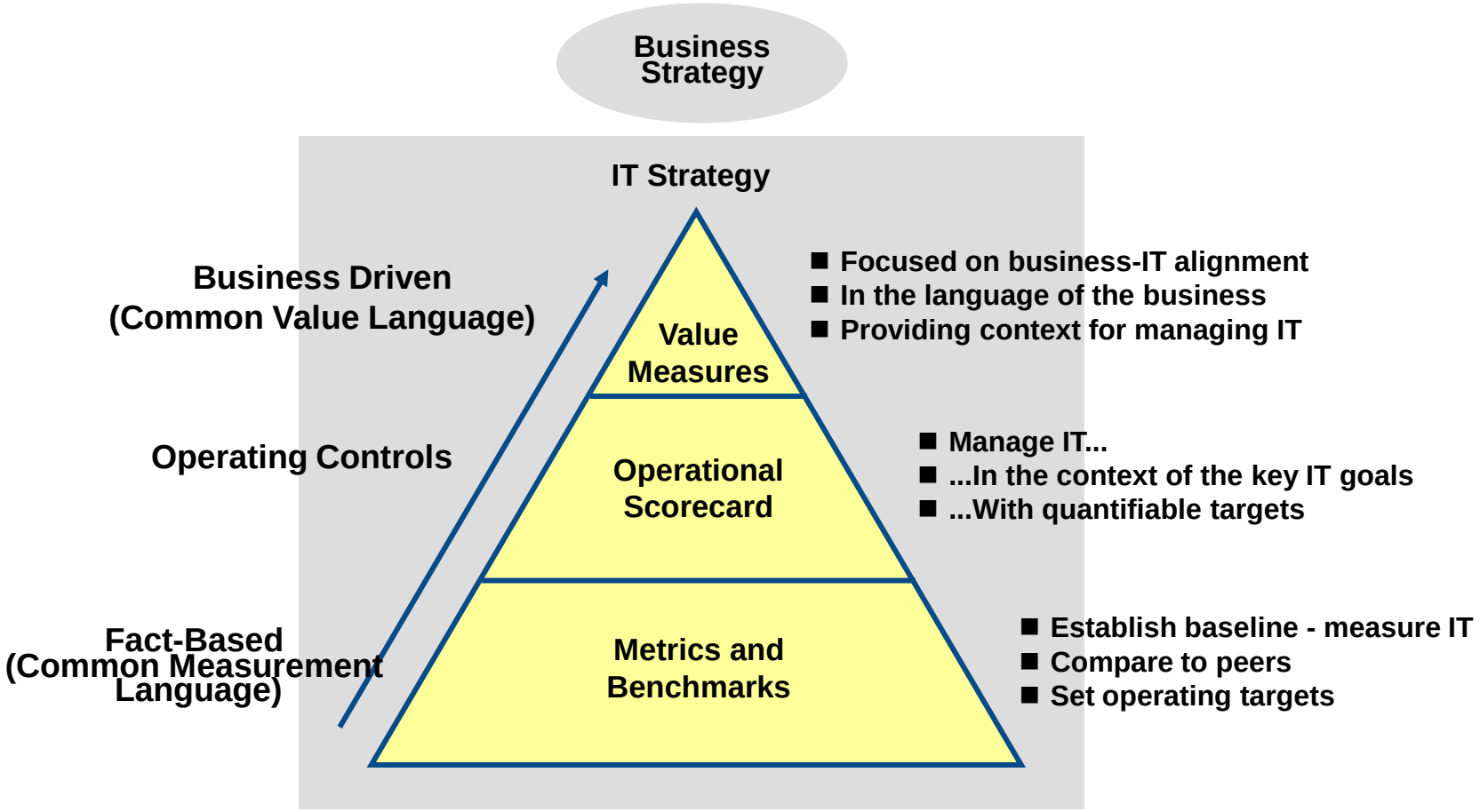
Potential Future Target

	Asset (Low Cost)	Process (Process optimized)	Service (Business focus)	IT as a Business (Highest value)
Goal/Measures	Minimize cost	Optimize costs/ efficiency	Happy customers/ effectiveness	Business value contribution
Process Design	N/A	Compliance to "standard" (generally ITIL or COBIT)	Process improvements measured in relation to IT SLAs	Process improvements measured in relation to market competitiveness
Org. Structure	Functional or technical silos	Delivery focused: Process/function matrix with functional silos	Shared Services: Process/function matrix with multidisciplinary process teams	Business embedded: IT-business matrix for core business processes or value centers
People	Individual “hero” activities / rewards	Team approach with functional SMEs	Collaboration among team to meet customer needs	IT SMEs work with bus. to generate results
Skills	Technical expertise	Process expertise	Solution, relationship and business expertise	Business expertise and innovation expertise
Sourcing	Mostly internal, some staff augmentation	Mostly internal, selective sourcing for “commodities”	Strategic sourcing based on explicit competitiveness of internal capabilities	Strategic sourcing based on core capabilities and strategic intent for IT
Funding	Budget-based: No chargeback or only based on high-level allocation	Cost allocation: Fixed budget and chargeback allocation for infrastructure; possibly chargeback for projects	Chargeback: Cost or market-based fee for service; zero-sum project budgeting	Business contribution: Market-based fee for service; profit/loss-based budget with discretionary revenue stream

D1. Improve IT Business Relationship – Establish Service Measurement

Scorecard and Metrics: Three Domains for Measurement

- Scorecards and metrics should be explicitly developed for Business Leadership (value oriented) and line IT Management (operational controls)



D1. Improve IT Business Relationship – Establish Service Measurement
Guidelines for Measurement

- Measure what you want to influence
- Don’t report items that are always “green” – it’s a waste of management time
- Use metrics to drive decisions to enable constructive change, not punishment
- Every metric should be linked (i.e., cause & effect), as a leading indicator, to business outcomes
- Limited number of metrics, typically one to two per goal or business outcome
- The framework should provide metrics that allow and encourage comparisons, both internally and externally
- Wherever possible, the metrics chosen should be measurements that are readily available in automated business transaction systems
- Do not start by choosing a tool – prototype on spreadsheets, refine, and implement a tool only if substantial value is to be achieved

D1. Improve IT Business Relationship – Establish Service Measurement

Seeking Metrics: Key Principles

1. Every metric should be linked (i.e., cause & effect), as a leading indicator, to business outcomes.

2. Limited number of metrics, typically one to two per goal or business outcome.

3. The framework should provide metrics that allow and encourage comparisons, both internally and externally.

4. Wherever possible, the metrics chosen should be measurements that are readily available in automated business transaction systems.

D1. Improve IT Business Relationship – Establish Business Relationship Manager

Roles and Success Criteria

Key Responsibilities

- Anticipating business demand and proactively raising potential needs
  - Must be able to articulate the benefits of business needs
- Managing the impact of IT-related change and conveying message to both business and IT
  - Must understand the scope and magnitude of IT-intensive change initiatives
- Bridging planning and delivery – including evaluating needs, submitting request forms, and tracking the success and business impact of projects through performance metrics

Success Criteria

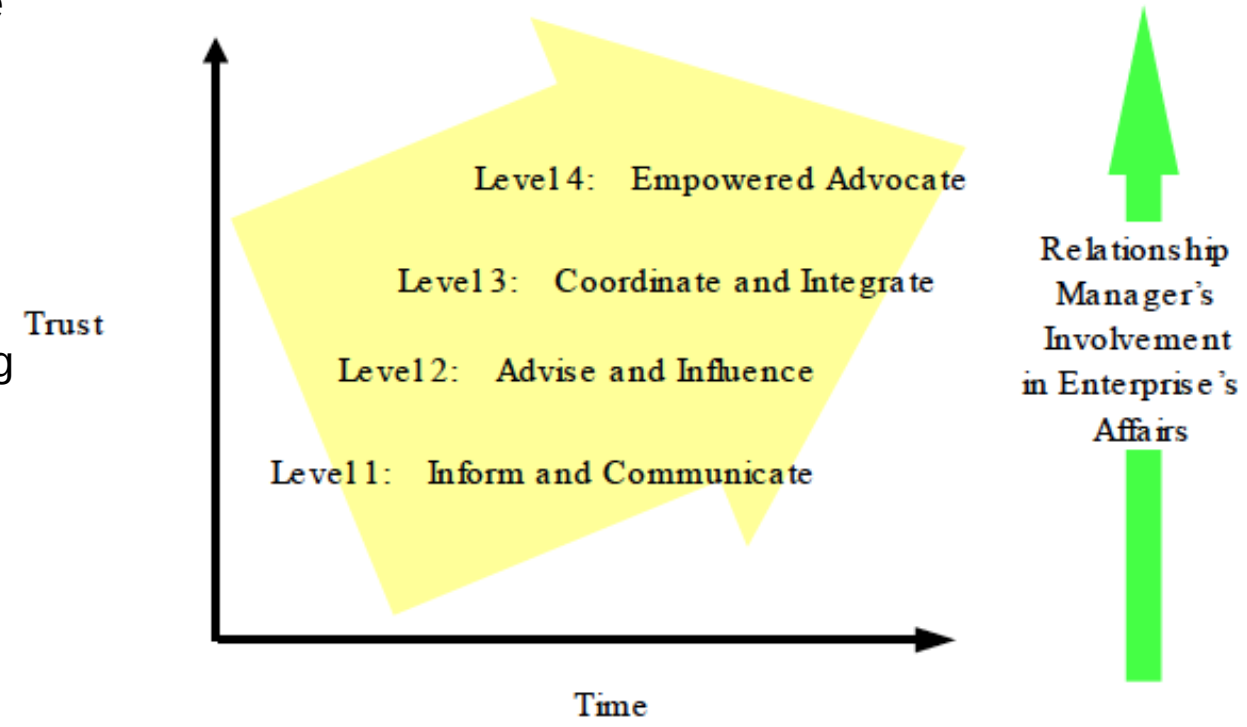
- Select individuals with the right mix of skills - a blend of business, IT and behavioral competencies – so they retain credibility from all stakeholders
- Create dual reporting relationships and performance metrics – report to both the BU being supported and IT
- Ensure they have a senior role / title
- Must understand and value the IT and business processes
- Maintain familiarity with the operations of the business and industry, as well as emerging technologies in the market

Help relationship managers gain credibility by starting on "quick hit" projects and supporting them with deep IT and BU knowledge

D1. Improve IT Business Relationship – Establish Business Relationship Manager

Effectiveness of the Business Relationship / Liaison Function

- The role of BRM function can be the linchpin for success in many IT organizations
- Trust in the BRM role is a key component to its success
- Relationship Manager's are most successful in organization that are focused on service
- Successful BRMs are proactive, aligning IT services to business strategy and introducing new technology, rather than simply reacting to problems, resolving issues and funneling requests



D1. Improve IT Business Relationship – Establish Business Relationship Manager

Effectiveness of the Business Relationship / Liaison Function

Through 2015, less than 20 percent of organizations will transform their culture to fully embrace being a service provider, up from less than 5 percent today.

Maui should define, based best practice, a series of steps to become more tightly integrated with business users:

1. Assign staff to dedicated Business Relationship Management Role with defined responsibilities
2. Track and market successes
3. Improve Project and Portfolio Management capability
4. Integrate MAUI IT Leadership with the broader County leadership and planning process and structure

Reasons why business management increases IT transformation success rates:

- Business management drives prioritization, funding and governance — without which you cannot succeed in IT service management.
- Business management encourages standardization through price transparency that pushes demand toward standard IT services.
- Business management uses IT metrics to successfully communicate the business value of IT and gain continued IT funding.
- Enterprises implementing IT service portfolio management and PPM will be better at managing investments.

D1. Improve IT Business Relationship – Establish Business Relationship Manager

BRM Target Measures

- Assessment plans will clearly depend on the specific role requirements. It is critical that short- and long-term goals be defined.
- Some representative metrics are noted below – ordered in terms of their suggested importance for Maui
  - **Improved strategic planning efforts** — ability for IT to effectively anticipate and plan for business unit needs so that they map to the operational plans of the business
  - **Solution match to business need** — higher use of critical applications, and fewer modifications and changes post-implementation and problem escalations
  - **Project outcomes** — expected business effects are achieved and measured, such as revenue, cost reductions, improvements in the cycle time or increases in speed to market
  - **Stakeholder satisfaction** — quantitative surveys of users and technology leaders that range from overall measures of satisfaction to assessments of specific activities
  - **Better communication –** with and across business units
  - **Comparative date** — industry benchmarks for cost and resource allocation
  - **Resource forecast** — ability to anticipate resource demands on IT and better IT Financial Management
  - **Project execution –** typically assessed in terms of time and budget

Initiative D2

Integrate IT Planning with Business Goals – Description

Overview:	Expected Benefits:
IT Contribution should define how IT will support the business goals and strategy. Therefore, a successful IT strategy must be clearly and explicitly linked to the business goals and strategy. IT should collaborate with the business leads to gather their annual and longer term (two or three year) business objectives, aggregate these across the county, and evaluate the county's ability to meet these objectives.	• Explicitly alignment of IT Strategy with Mayor's and County Council's Objectives • Clear documentation of business goals • Basis for conducting project investment evaluation and prioritization

Initiative D2

Integrate IT Planning with Business Goals – Key Actions

Activities	Timeline:
A. Develop the Business Goals Driven IT Strategy • Work with all county departments to define their business goals and imperatives • Translate business goals into supporting IT objectives • Define ability of IT to meet future business needs and conduct a gap analysis for missing capabilities • Define and prioritize initiatives to progress IT's capabilities and service offerings • Socialize and gather buy-in for the annual IT Strategy with County Senior Executives, such as the Mayor and Council • Support creation of project prioritization and annual investment planning process based on business requests and needs	3 - 4 months
B. Iterate Strategy ▪ Leverage annual department business plans to conduct an annual renewal of the IT Strategy plan, looking at both near term (12 month) and longer term (24-36 months) needs	2 months (annually, ongoing)

Initiative D2

Establish a Business Goals Driven IT Strategy – Best Practice Discussion

The following slides provides best practice information in support of recommended actions:

Key Action	Objective	Best Practice Summary
Develop a Business Goals Driven IT Strategy	Define IT strategic planning	Planning Justification
		Characteristics and Components
	Develop strategic planning framework	Domain Summary
		Component Summary
		Annual Initiative Planning

Initiative D2
Establish a Business Goals Driven IT Strategy – Execution

- Business strategy goals are the connection between the IT's role and contribution to helping business be successful
- Business strategy must be further defined as business capabilities, such as, improve online services for the public, increased accuracy for parcel data, improved reporting and data analysis, improve accuracy of tax collection
  - This will guide how IT can delivery value to the business and ultimately to the public
- The three step progression will include:
  - Defining the Business and IT strategy
  - Defining the necessary capabilities to support the strategy
  - Creating a plan of execution to achieve the goals
- Further, Maui must define the appropriate Service Delivery Approach and Functional Roles to support this effort

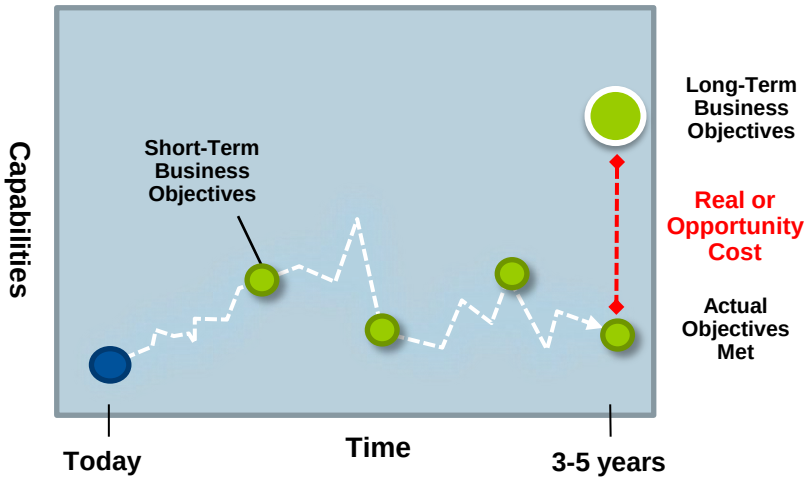
D2. Establish a Business Goals Driven IT Strategy – Define IT Strategic Planning

Planning Justification

Without a Strategic Plan, IT tends to prioritize based on current capacity at the expense of longer-term business value

- **Looking back, IT organizations without a strategy often describe their current capabilities as 'accidental'**
  - No critical mass of resources
  - Massive complexity and reliance on heroes
  - Cascading software and technology dependencies
  - Long-running, immobile, unchangeable projects
- **.... because those organizations certainly didn't *intend* to be that way**
  - No explicit declaration of the business direction
  - No long-term objectives to guide project prioritization
  - No plan or roadmap to guide investment selection
- **In the long run, accidental IT strategies are substantially more expensive**
  - Missed opportunities for growth and differentiation
  - Carrying costs of low value, high risk projects
  - Substantial, real investments to correct, reorganize, modernize, standardize, rationalize, and simplify

Long-Term Cost *Without Strategy to Guide Required Capabilities*

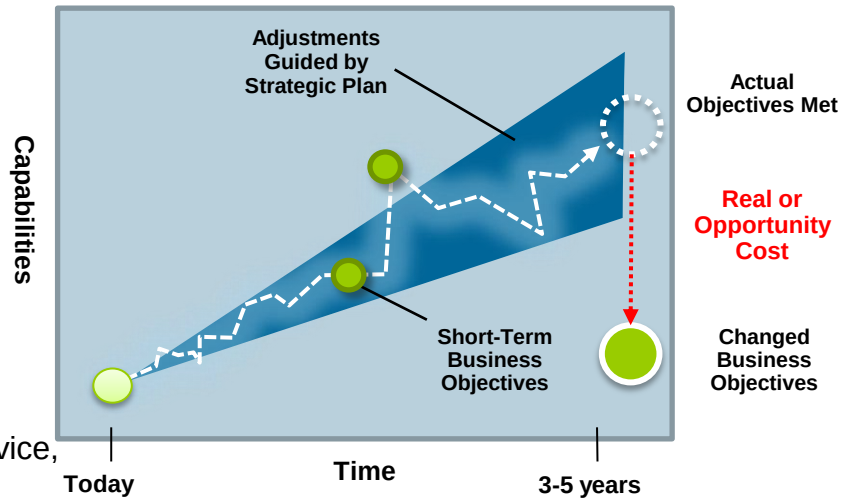


D2. Establish a Business Goals Driven IT Strategy – Define IT Strategic Planning

Planning Justification

- Without Continuous Strategic Planning, The Rapid Pace of Business and Technology Change Will Obsolete Once-And-Done Strategic Plans.
- **The pace and complexity of business changes continue to increase**
  - Business models and strategies are changing more frequently to match economies
  - Commoditization of hardware and software are eliminating traditional barriers to entry
  - Massive demand for and supply of information creates a wealth of opportunities
- **To meet this relentless demand, businesses expect rapid IT responsiveness**
  - The notion of agile IT implies that, at current funding, IT can deliver more responsively *and* with greater capacity ("do more with less")
  - Users are taking IT into their own hands: software as a service, social media, "the process of me"
  - Leadership is pushing to cut costs and consolidate to the cloud
- **Without responsive planning processes, the objectives sought after by IT may no longer be what the business still needs**

Long-Term Cost *Without Continual Strategic Planning to Guide Required Capabilities*

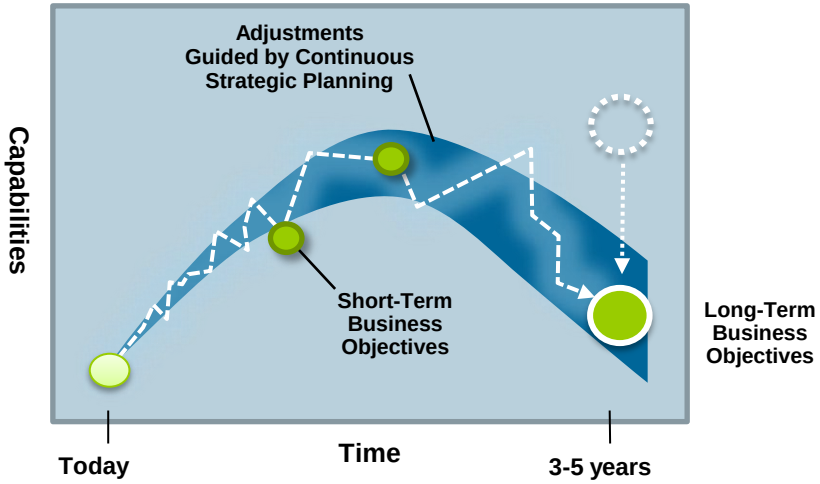


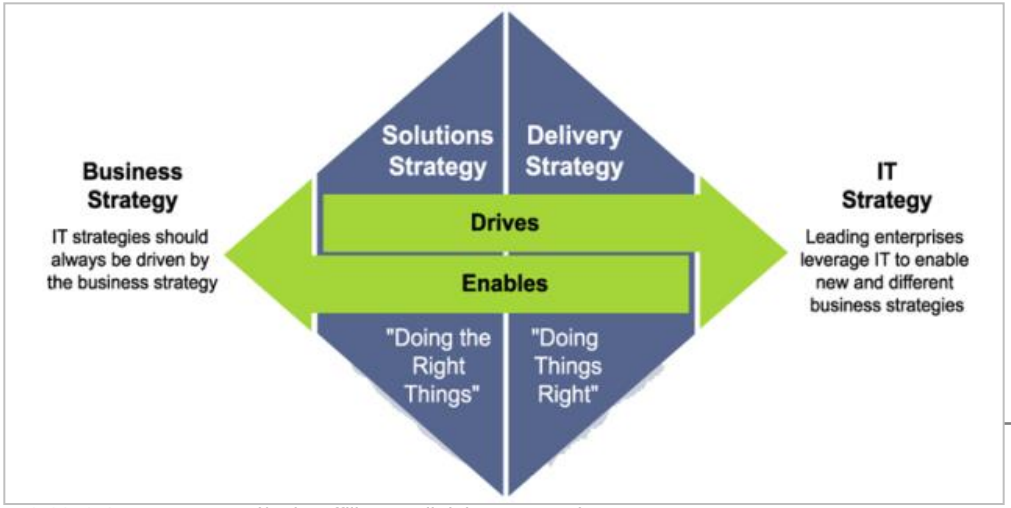
D2. Establish a Business Goals Driven IT Strategy – Define IT Strategic Planning

Planning Justification

- For Business To Thrive In The Long-Term, IT Must Continually Plan Its Capabilities To Contribute The Right Things At The Right Time
- IT strategic planning is about progressively managing change in the direction of the business vision
  - Periodically reassessing the business context to identify fundamental changes in the approach to IT
  - Frequently testing the fit of IT strategic plans given changes in the business objectives
  - Monitoring IT trends and drivers for positive impacts for investments

Long-Term Opportunity *With Continuous Strategic Planning to Guide Capabilities*





Strategy is about *doing the right things; operations are about doing things right.* As such, strategy defines the potential value of an enterprise, while operations are about delivering on that potential.

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D2. Establish a Business Goals Driven IT Strategy – Define IT Strategic Planning Characteristics and Components

IT strategic planning is an ongoing declaration of mission, vision and objectives, bounding the right opportunities for attaining the business strategy, setting the roadmap for attaining those capabilities, and guiding all facets of the journey.

IT strategic planning will....

- **Enable or support a business strategy**
  - Whether or not the business strategy is well articulated,
  - Existing or new, stable or volatile
- **Clarify priorities and trade-offs**
  - Anchored in core values and principles
  - Guides consistent and transparent decision-making
- **Balance visionary thinking with pragmatic realities**
  - Long-term in mind, but
  - Bounded by current constraints and capabilities
- **Encourage an intentional, ongoing journey**
  - Manage change rather than react to it
  - Adjust tactically rather than historically
- **Incorporate external perspectives**
  - Ensure completeness and viability of vision
  - Eliminate blind spots and learn from others

IT strategic planning consists of....

Board Summary

- Business strategy and capabilities required
- IT's contribution to business success
- Demand, control and supply implications for IT

IT Strategy

Sets the strategic direction for IT's contribution to business success.

IT Strategic Plan

A detailed, rolling plan of the major initiatives to be executed by the IT organization in growing or transforming the business.

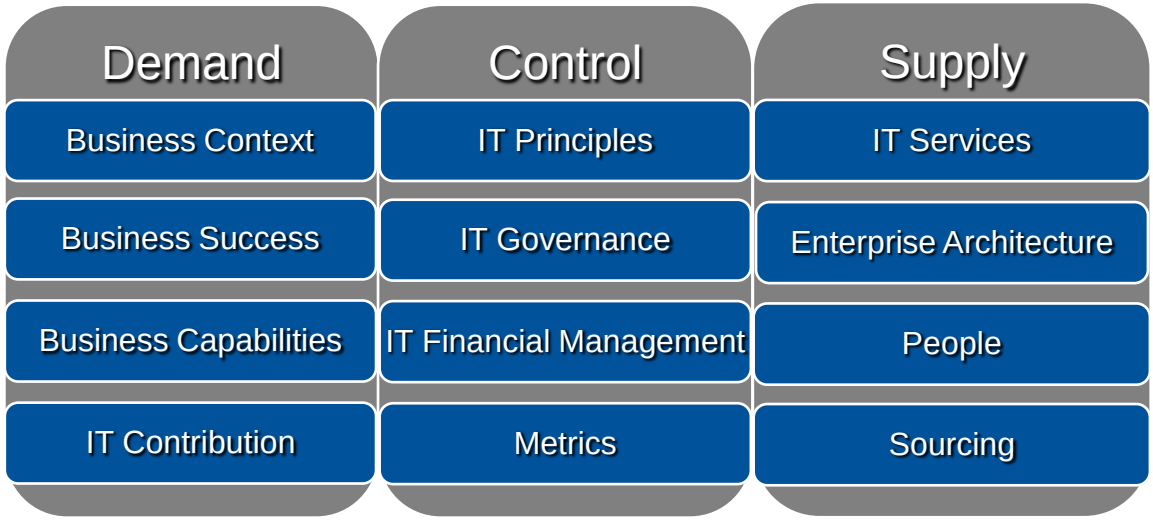
IT Operating Plan

A detailed plan of IT's operations, focused on running the business in the short term, and in the direction of the long-term strategy.

D2. Establish a Business Goals Driven IT Strategy – Strategic Planning Framework
Domain Summary

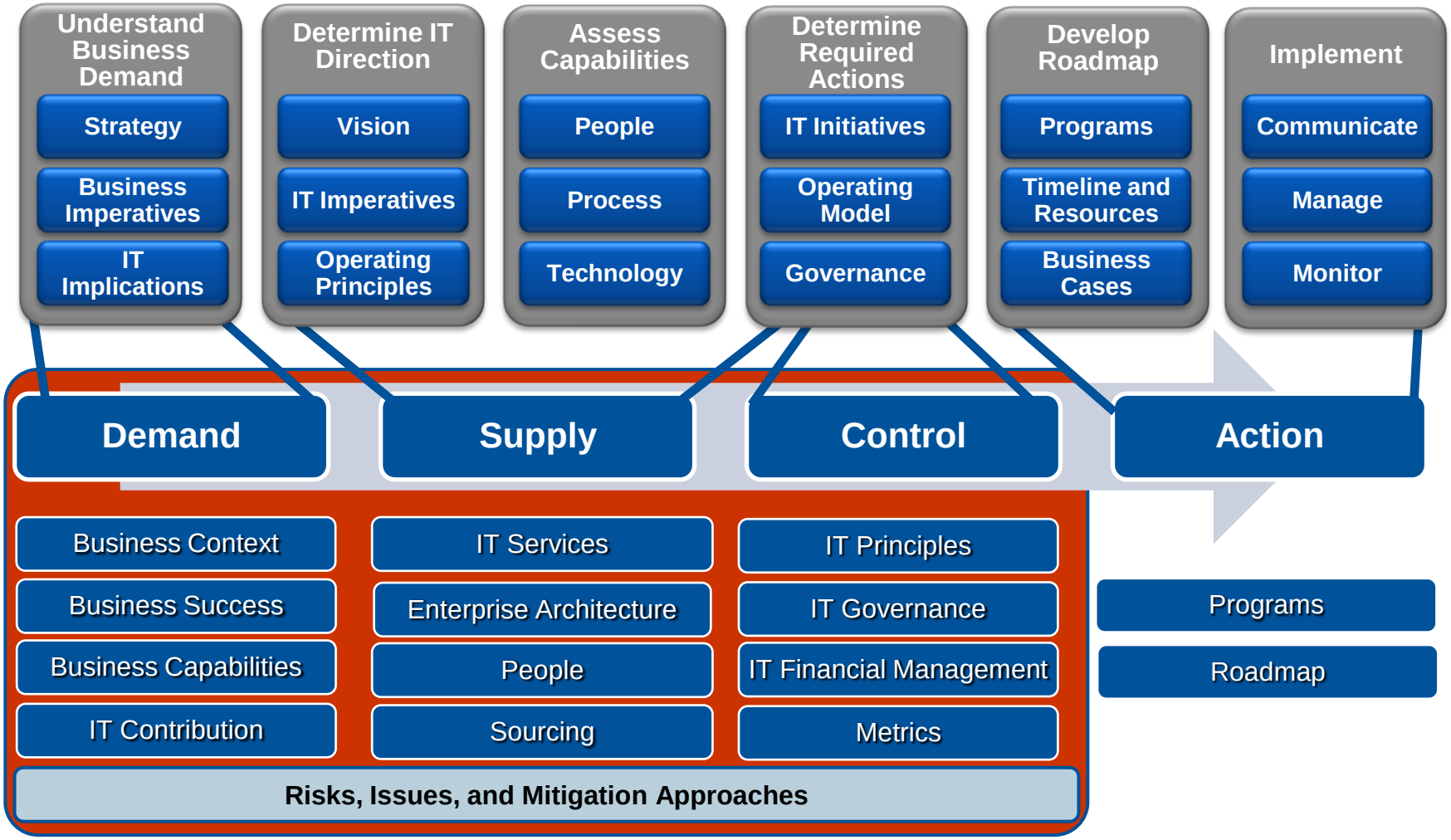
Gartner's Proven IT Strategy Framework Focus On The Right Domains For Greatest Return On IT's Contribution

- The framework has been shared with Maui on this project and be referenced at the start of all strategy definition efforts as the foundation of the domains to consider
- A sustainable IT strategy should address three fundamental underpinnings of profitability
  - **Demand**: What does the business need, and how will IT contribute?
  - **Supply**: What capabilities will IT provide to meet that demand?
  - **Control**: How will the business and IT *balance* opportunities for growth, optimization, and risk-taking given changing demand conditions and with the appropriate investment in supply?



D2. Establish a Business Goals Driven IT Strategy – Strategic Planning Framework

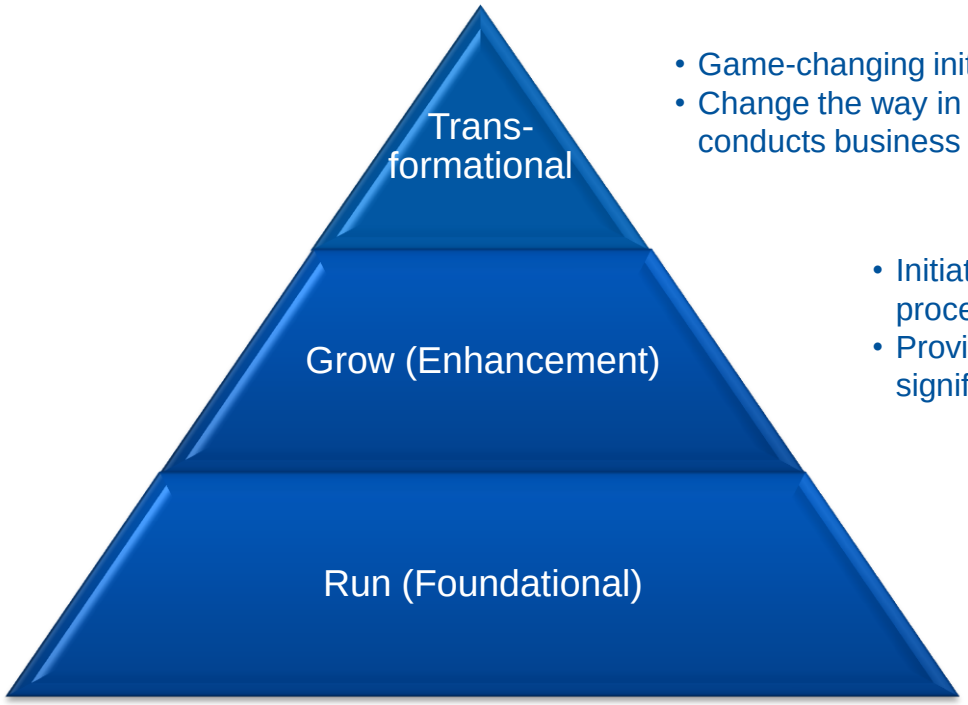
Component Summary



D2. Establish a Business Goals Driven IT Strategy – Strategic Planning Framework

Annual Initiative Planning

- Consider organizing investment analysis into three categories – Run, Grow, Transform as illustrated below.
- Best practices suggest managing each category in a separate funding pool and making tradeoffs within pools rather than across (unless a major business disruption requires rethinking the pool allocations)



- Game-changing initiatives
- Change the way in which Maui provide services / conducts business

- Initiatives in direct support of current business processes
- Provide efficiencies or process improvements or significant benefits from technology modernization

- Activities to maintain and / or improve how Maui does business
- Initiatives provide the underpinnings for executing Enhancement and Transformational initiatives
- Require dedicated funding and focus to avoid being over-shadowed by more directly business-facing efforts

Initiative C1

Create a County Wide IT Governance Structure – Description

Overview:	Expected Benefits:
Refine and clarify IT Governance focusing on decision-making roles and responsibilities, governance processes, creating an accountability framework, and the mechanisms (structures and committees) necessary to successful deploy the governance approach and encourages desirable behavior in the use of IT. Communications planning is a crucial element to drive way communications and help align business-driven IT priorities and expectations.	• Increased decision-making transparency • Improved two way communications to agree on direction setting / decision making and gather user feedback • Improved realization of business goals (e.g., time to market) • More cost effective use of IT

Initiative C1

Create a County Wide IT Governance Structure – Key Actions

Activities	Timeline:
A. Define Governance Approach • Define decision-making roles and responsibilities (explicit articulation of who has input rights, makes the decision, who is informed, etc. for each type of decision) • Develop clear charters for all decision-making forums (e.g., committees) • Clarify decision-making processes and mechanisms (e.g., Project Request Forms, role of BRM, reporting tools, exception processes) • Develop, communicate, and adhere to a set of decision-making criteria that are *consistently* used for all significant IT decisions • Assign resource to develop communication strategy based on a structured assessment, such as focus group discussion, to determine communication expectations and gaps between IT and business	3 – 4 months
B. Deploy Governance ▪ Deploy Governance structure through a pilot approach, starting with a limited group of projects (e.g., based on size / impact) and continue to roll out to include county wide investment planning and reporting ▪ Conduct a communications program to familiarize departments with Governance	6 – 9 months
C. Monitor and Refine ▪ Refine and expand governance processes and structure as needed ▪ Evaluate expanding scope to include a county wide Project Management Office (PMO) for project tracking and reporting	3 - 4 months (iterate annually)

Initiative C1
Create a Countywide IT Governance Structure – Best Practice Discussion

The following slides provides best practice information in support of recommended actions:

Key Action	Objective	Best Practice Summary
Establish Effective Governance Model	Define Governance	Frameworks and Process
		Standing Governance Mechanism Roles and Analysis
	Establish Objectives	Models and Styles
		Maui Current Governance Styles vs. the Most Successful Patterns
		Key Domains
	Governance Strategy	Investment Analysis and Prioritization
		Functional Areas and Risk Considerations
		Communication and Measurement
		Illustrative Artifacts

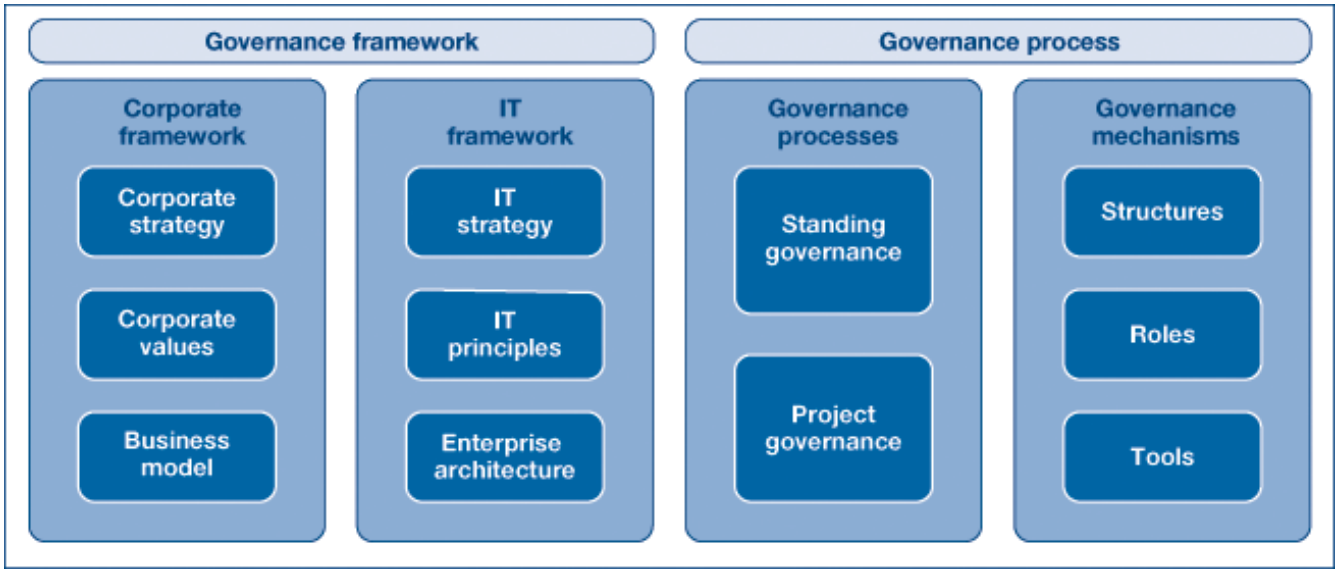
Initiative C1
Create a County Wide IT Governance Structure – Execution

- Maui must develop a structure and process for assigning decision rights and creating an accountability framework
  - Participation from key stakeholders throughout the county is crucial for the success of the governance initiative
  - Top level decision making must be the responsibility of a senior executive in the County
- Governance will allow Maui to publish a define approach for Investment Analysis and Prioritization
  - Must provide transparency and confidence in a fair “Funnel Process” for evaluating requests from business
- Key message to socialize county wide is that ‘IT is making the investment decision, these are business decisions’
- Developing a well define communication strategy is a crucial element to support effective governance for Maui
  - Must assign resource to create the approach and be responsible for driving the communications

C1. Create a County Wide IT Governance Structure – Define Governance Frameworks and Process

IT governance is about assigning decision rights and creating an accountability framework that encourages desirable behavior in the use of IT. Effective IT governance requires thoughtfully combining its three components:

1. IT *domains*, which are the areas where decisions need to be made at the intersection of business and information technology. The five main IT domains are IT principles, IT infrastructure strategies, IT architecture, business application needs and IT investment and prioritization.
2. IT *governance styles*, which specify who has input to the decisions and who makes the decisions. The six governance styles involve different combinations of business and IT executives at different organizational levels.
3. IT *governance mechanisms*, which are used to make and enact the decisions. Frequently used mechanisms are the executive committee, IT councils, the IT leadership group, business/IT relationship managers and service-level agreements.



C1. Create a County Wide IT Governance Structure – Define Governance

Standing Governance Mechanism Roles and Analysis

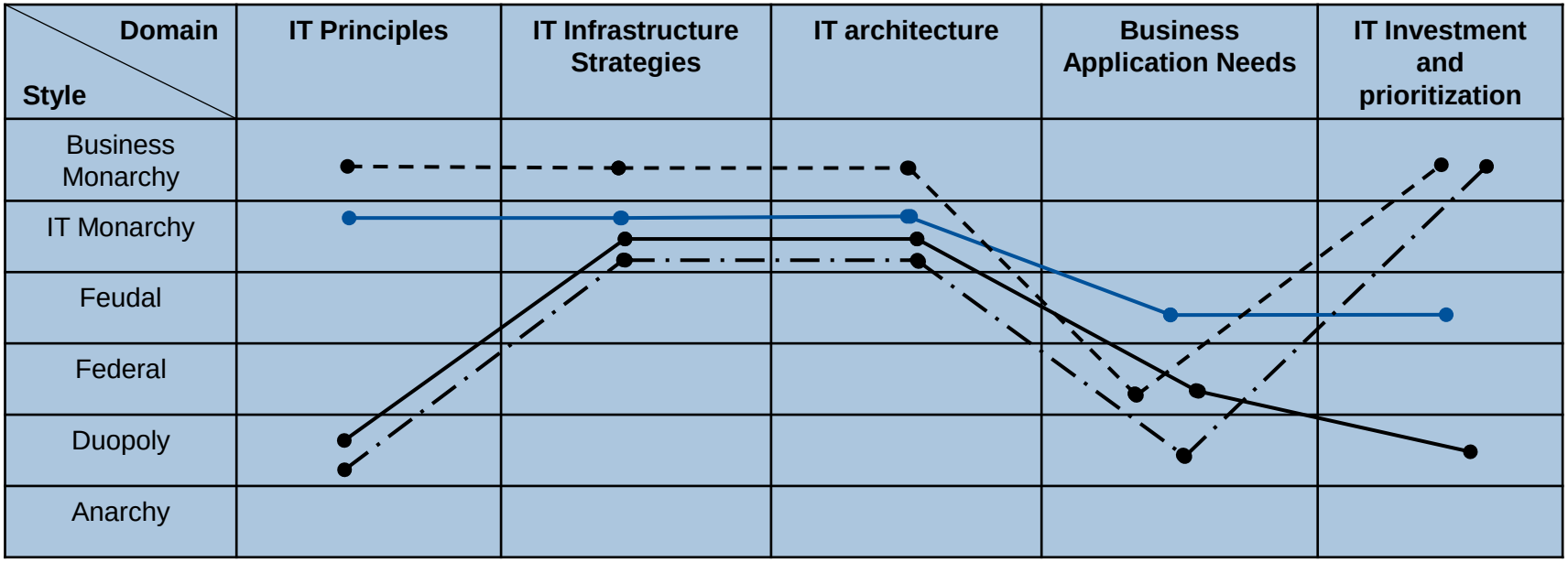
Standing Mechanisms	Description	Issue addressed	Issue at Maui ?	Mechanism in place?
IT Investment Board	1. Creates investment priorities aligned with overall strategic goals and the desired business outcomes of the enterprise 2. Arbitrates exception requests over $N	IT budget not large enough to meet stakeholder demands	Y	No
IT Leadership Committee	1. Creates the IT strategic plan based on enterprise strategic goals and governance principles 2. Arbitrates EA exception requests	IT capabilities (Infrastructure & Apps) not designed of configured to meet business needs	Y	Partial
IT Standards Committee	Creates, publishes and maintains architectural standards (technology, data and potentially business process) aligned to enterprise goals and governance principles	IT capabilities (Infrastructure & Apps) not designed of configured to meet business needs	Y	No
Business – IT relationship managers	Manage demand and create positive relationships between stakeholders and IT	When IT fails to meet business demand or satisfy stakeholders, owing to duplication of systems across the enterprise or technology implementations that do not address enterprise needs	Y	Partial
Project management Office	Deliver projects on time and on budget	When projects suffer a high failure rate, cost overruns or duplication	Y	Minimal, but not proactive

C1. Create a County Wide IT Governance Structure – Define Governance Models and Styles

- In a **business monarchy**, the top business executives have the decision rights. These rights are often exercised through an executive committee or IT council, comprising business and IT executives.
- In an **IT monarchy**, the IT leadership group holds the decision rights. These rights are often exercised through an IT leadership council or Office of the CIO.
- In a **feudal style**, business unit leaders, or their delegates, hold the decision rights and authority is local. This style is found in enterprises with relatively autonomous business units and is often used to provide local responsiveness.
- In the **federal style**, governance rights are shared by C-level executives and at least one other business group.
- In a **duopoly**, rights are shared by IT executives and one other business group such as C-level executives or business unit leaders.
- **Anarchy** exists where individual process owners or end-users have the decision rights. There are usually no formal mechanisms for exercising those rights. Ad-hoc decisions are made to satisfy local needs.

C1. Create a County Wide IT Governance Structure – Establish Objective

Maui Current Governance Styles vs. the Most Successful Patterns



Maui "As Is"

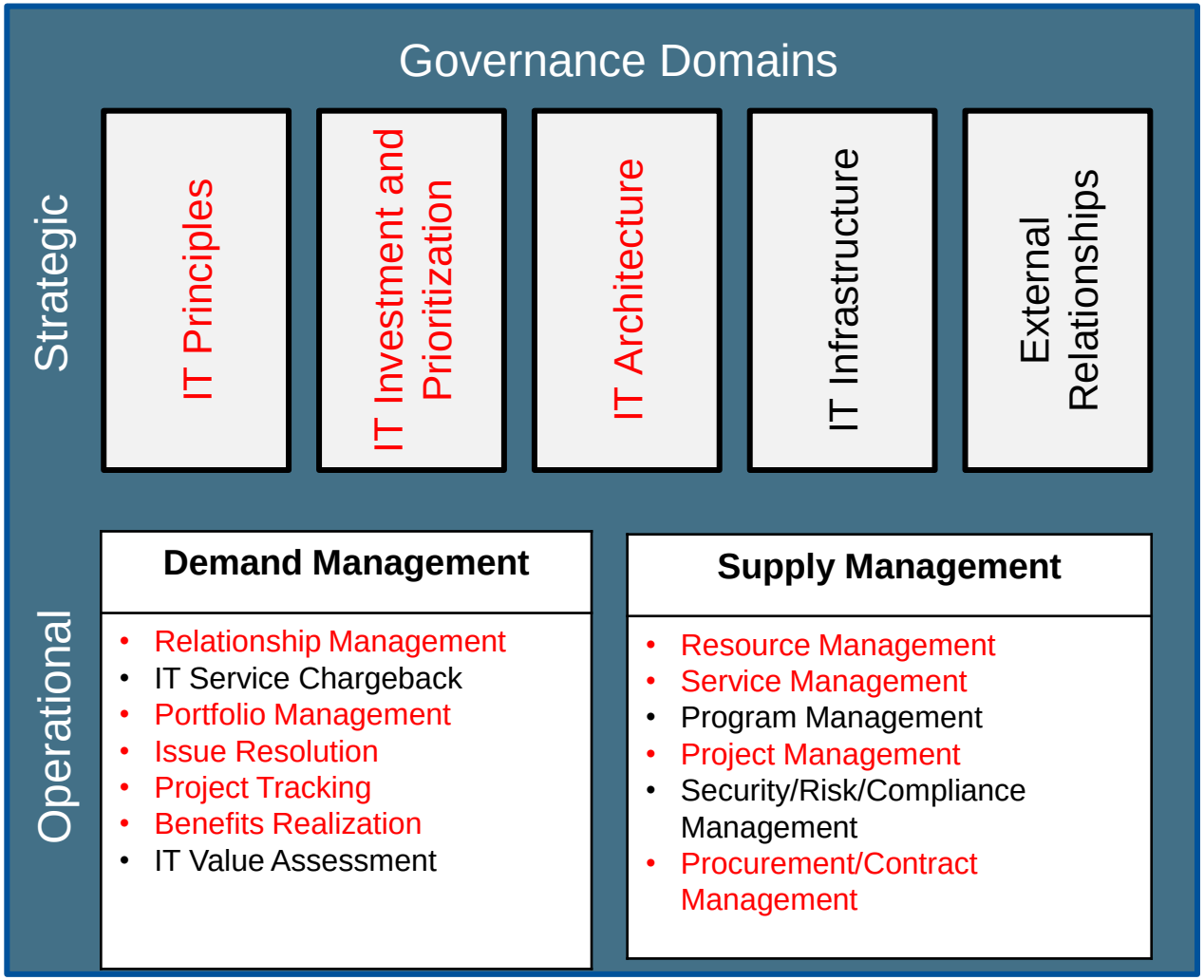
- Few IT principles and imperatives defined
- IT Infrastructure satisfactory
- No IT Architecture
- Business Application needs defined by each Department
- Some prioritization of project IT, limited visibility to business

1
2
3

Top three governance patterns for high governance performers ranked by commonality

C1. Create a County Wide IT Governance Structure – Establish Objective

Key Domains

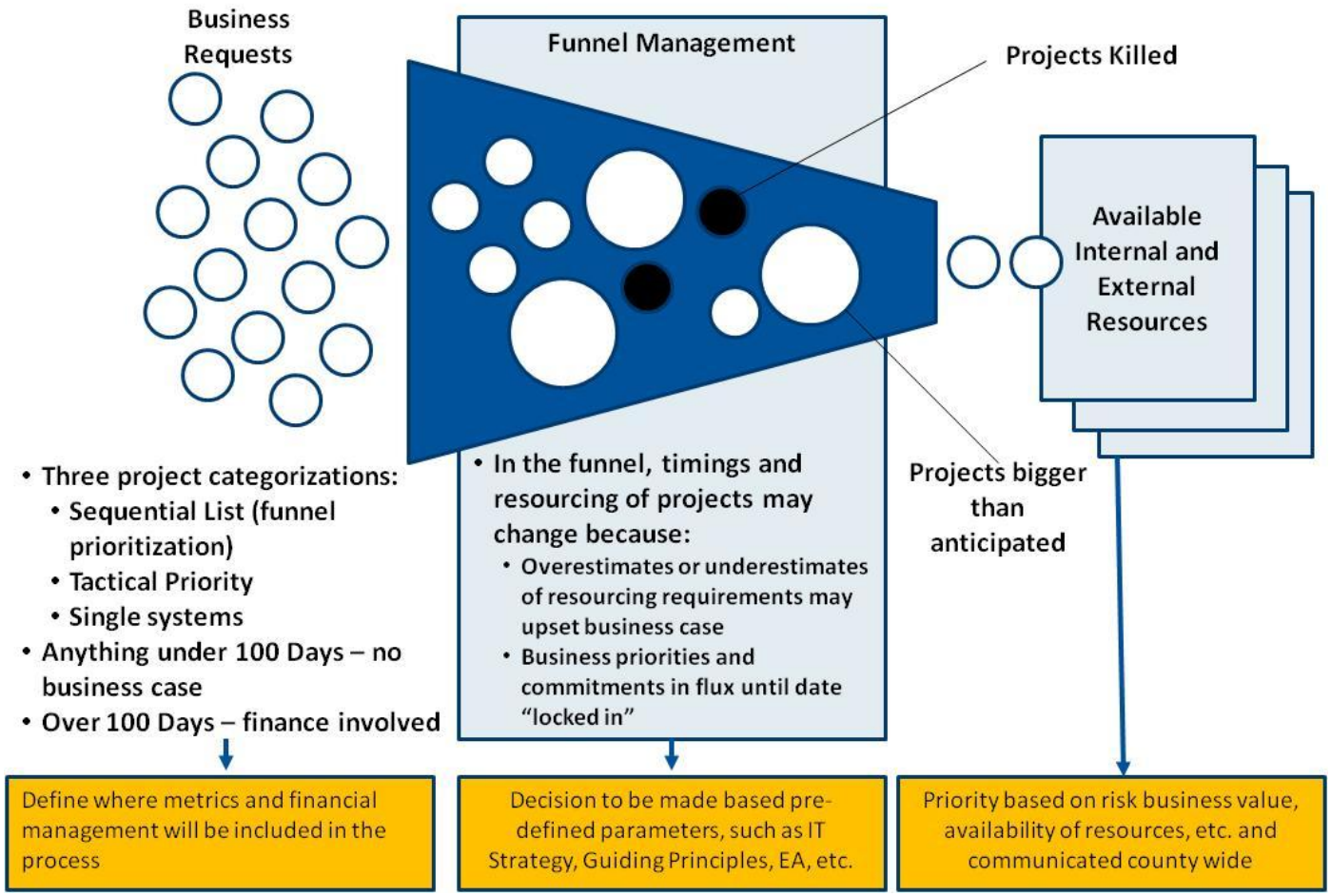


RED: Most Critical Decision Domains for Maui

C1. Create a County Wide IT Governance Structure – Governance Strategy

Investment Analysis and Prioritization

Governance Drives the Funnel Process For Evaluating Requests



C1. Create a County Wide IT Governance Structure – Governance Strategy

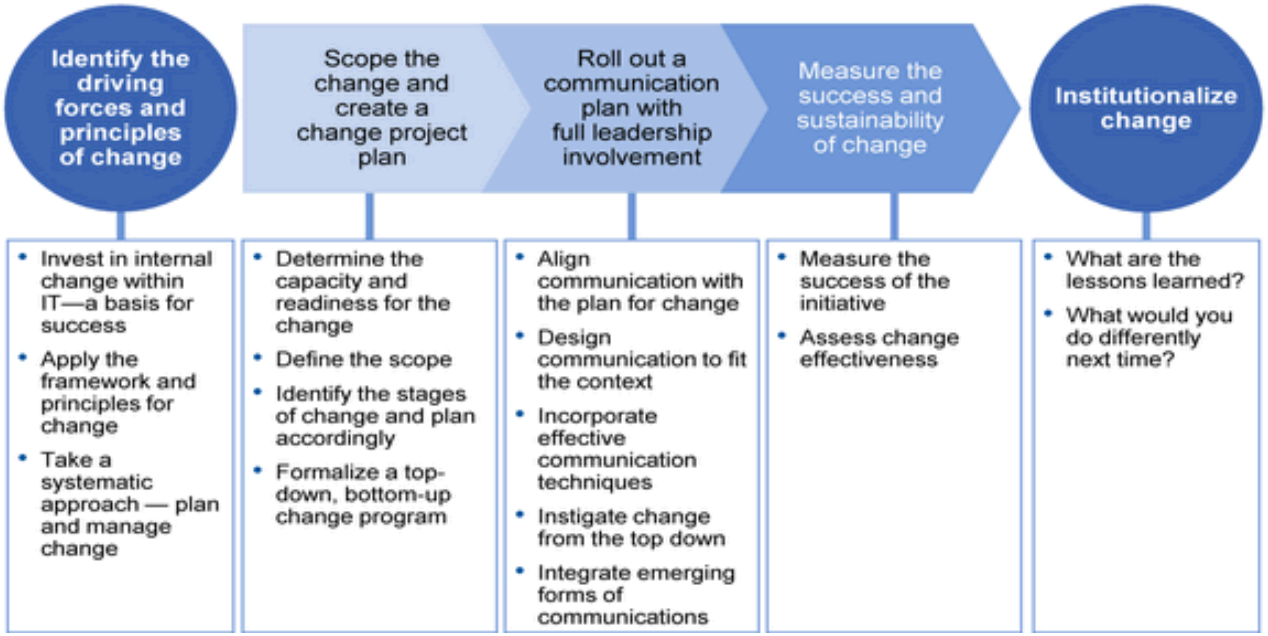
Functional Areas and Risk Considerations

Functional Area	Major Concern	Potential Resolution
Funnel Management	Visibility of Available Development Resources	• Comprehensive resource availability data should be provided to funnel management on a regular basis • Ensure that particular skill types are identified • Providing this data does not constitute a commitment that funnel management can automatically "lock-in" resources
Application Teams	Visibility of Funnel Tracking data	• Provide the key funnel metrics to Development teams with justifications for prioritization • This does not constitute a commitment to development teams that projects before a "commit date" decision are likely
Steering / Evaluation Committees	Overall Process Effectiveness– Are the Business Benefits outlined in the Business Cases actually achieved?	• Take a random sample of the completed business cases in a year and test that the proposed business benefits were achieved. In addition, track variance from estimated levels of effort
Steering Committees	Frequency/Size of Requests – Are there patterns in the types of requests that can help with resource predictions (seasonality, mergers, excessive focus on particular systems)?	• Test funnel input for patterns • If input is highly variable, check "Peak" to "trough" in resource requests • Use resulting info for employing additional resources , retraining or outsourcing
Steering Committees	Variability within the funnel	• If projects priority consistently "moves around" within the funnel it may indicate that there should be more pre-approval emphasis
Steering Committees	Ensure funnel process is not the single focus for business/IT dialogue	• Operational Commitments should be centralized via the funnel – no side deals – but additional lines of communication with the business are critical

C1. Create a County Wide IT Governance Structure – Governance Strategy

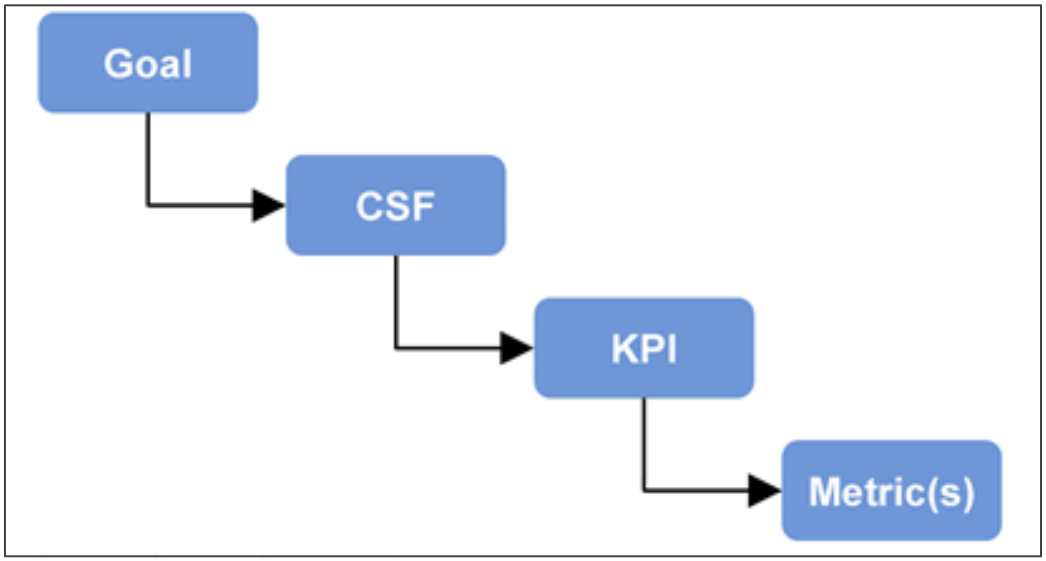
Programmatic Communication and Measurement

- Goal is to make high quality communication timely, appropriately executed and relevant
- A communication specialist role should determine the communication the parties affected, and plan and design the messages and vehicles for the process
- The graphic below indicates the key role communications plays in the management of any change or growth process



C1. Create a County Wide IT Governance Structure – Governance Strategy
Programmatic Communication and Measurement (Cont.)

- Without customer satisfaction measures, IT will struggle to know what the business thinks of application projects and IT service overall
  - Customer Satisfaction should used to evaluate the success of projects
- Define business-centric goals that indicate project success – these should be specified through critical success factors (CSFs) that can be tracked and measured through Key performance indicators (KPIs)
  - A CSF defines an action or result that must occur for projects to be characterized as successful
- Key performance indicators (KPIs) are used to measure the achievement of a CSF and are selected to ensure efficiency and effectiveness. Without alignment with CSFs and KPIs, a metric is just a measurement.
- Note: It is important not to drown in a flood of metrics, only select the most relevant and relatable

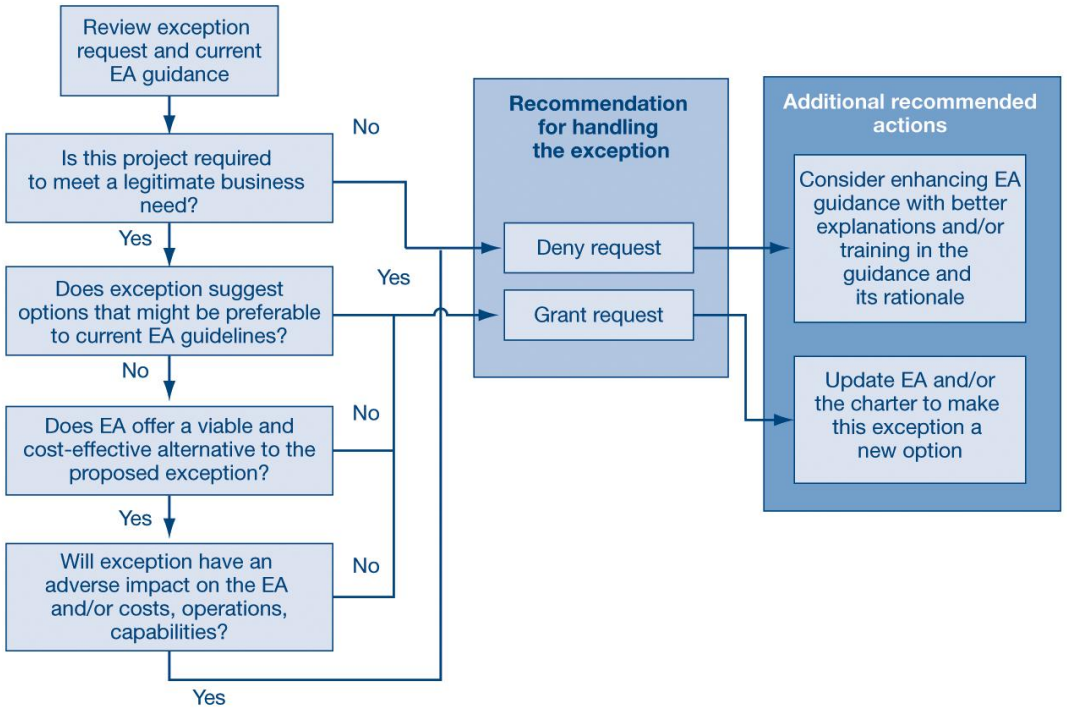


C1. Create a County Wide IT Governance Structure – Governance Strategy
Programmatic Communication and Measurement (Cont.)

Create an Exception Process to Capture Innovation and Help Adapt Governance

- Exception processes allow for change and positive risk-taking
- While most enterprises limit governance to gaining control and eliminating bad risks, the highest-performers also use it to take calculated risks in expanding their service offerings
- The sample exception process suggests a path to sound exceptions.
- IT leaderships can use these guidelines to assess IT ventures that appear high-risk or that require technology inconsistent with the existing enterprise architecture
- Exception processes are especially critical in the early phases of governance, when the enterprise decision framework or the governance processes will probably be suboptimal because of their immaturity
- Exceptions can therefore help governance improve, grow, evolve and build credibility

Sample exception process



Source: Gartner Research

C1. Create a County Wide IT Governance Structure – Governance Strategy
Illustrative Artifacts

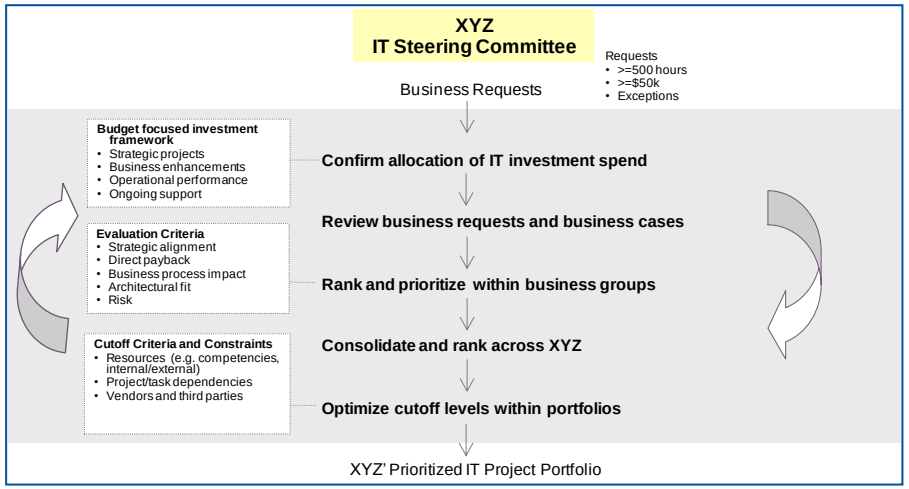
1. Define Decisions to be Made

Decision Domains →	Strategic Domains			Operational Domains					
	Principles	Investments /Prioritization	Architecture	Portfolio Mgmt.	Issue Resolution	Project Tracking	Resource Mgmt.	Program Mgmt.	Project Mgmt.
Activity/Processes									
Pre-Planning									
Confirm Executive Program Sponsor								X	
Confirm Program Manager								X	
Rationalize Current Project / Enhancement Portfolio				X					
Scoping and Planning									
Define Operating Principles	X								
Confirm FXO Transformation Scope of Work		X					X		
Prioritize the Business and IT Imperatives (set strategic goals)		X							
Develop and prioritize potential initiatives		X					X		
Develop detailed action plans for chosen initiatives						X			X

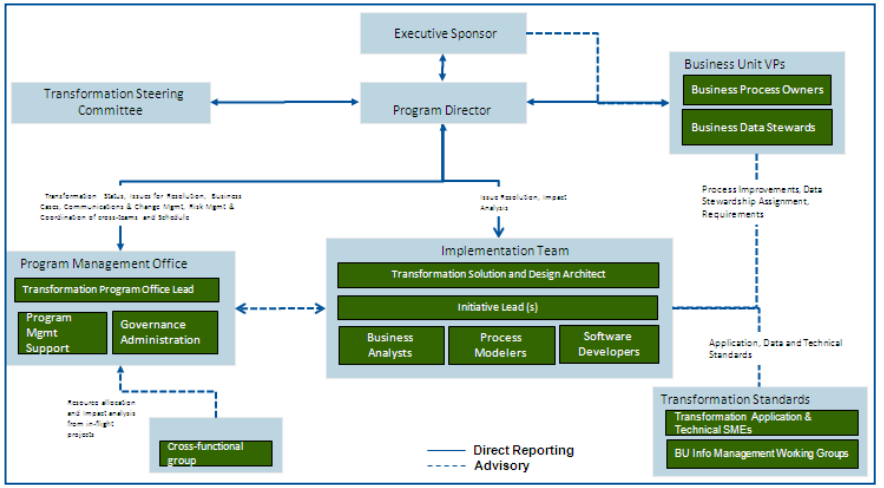
2. Define Decision-Making Rights ("RACI")

Transformation Program Roles >>>>>>>> Recommend (R) – Primary responsibility for recommending an action requiring a decision Agree (A) or Approve – Signoff /approval on recommendation/ approval. Role fulfills legal, financial or policy responsibilities and is typically very limited in scope Input (I) –Provide expertise, information or perspective on proposal. No obligation for decision maker to explicitly act on any specific input Decide (D) – Single decision-maker and clearly understood role by all key stakeholders Execute (E) – Primary responsibility to implement decision	Executive Sponsor	Program Director	Executive Steering Committee	Solution Architect	Program Mgmt Lead & Support	Initiative Leads	Business Process Owners	Data Owners	Prioritization Meetings
Activity/Processes									
Pre-Planning									
Confirm Executive Program Sponsor			D						I/A
Confirm Program Manager	D		I/A						I/A
Rationalize Current Project / Enhancement Portfolio	D	E	I/A/R	I	I	I	I	I	I/A/R

3. Define Decision-Making Processes



4. Define Structures and Mechanisms



Initiative C2

Develop a Financial Planning and Reporting Program – Description

Overview:	Expected Benefits:
The IT Financial Management (ITFM) approach is a foundational element to execute an effective and well-planned IT service delivery model. Further, they are often built on top of existing governance structures and processes to assist in their implementation and execution. The ITFM approach should be customized to match the organization's service delivery approach and needs. In the process-optimizing delivery model, ITFM is still cost center-based, but it should add some foundational components for running IT as a business over the asset-optimizing model. Lastly, establishing an IT Service Catalogues to support a showback or chargeback mechanism is a highly effective method for encouraging intelligent IT decision making.	• Increased transparency for IT project and services costing • Delivery predictable and repeatable processes for project intake and tracking • Basis for fact-based decision-making

Initiative C2

Develop a Financial Planning and Reporting Program – Key Actions

Activities	Timeline:
A. Develop a Financial Planning and Reporting Model ▪ Define the necessary financial reporting structure for Maui based on a baseline of efficiency focused Process-Optimizing IT Delivery Model and existing IT Governance structure and processes ▪ Evaluate and select the appropriate project and operations metrics to track specific to Maui's operations, such as project success metrics, vendor management, annual investment planning, etc. ▪ Pilot financial scorecards and refine based on experience	4 - 6 months
B. Implement Financial Planning and Reporting Approach ▪ Expand pilot of program county wide ▪ Develop dashboard-type reporting capabilities for IT ▪ Automate processes through a tool, but only if processes are mature and objective is to gain efficiency	4 - 6 months
C. Develop Showback approach ▪ Mature and refine the service catalogue to offer a showback mechanism centered on activity-based costing for projects to support informed decision making	4 - 6 months

Initiative C2

Financial Planning and Reporting Approach – Best Practice Discussion

The following slides provides best practice information in support of recommended actions:

Key Action	Objective	Best Practice Summary
Establish Financial Planning Approach	Define Future Vision	Defining the Process Elements
		High-Level Attributes and Associated IT Delivery Models
		Benefits of Service Catalog and Chargeback / Showback
		Service Portfolio Considerations
Execute on Approach	Challenges and Execution	Developing Service Catalogs and Chargeback / Showback
		Setting Service Level Targets

Initiative C2
Develop a Financial Planning and Reporting Program – Execution

- Target a baseline of efficiency focused Process-Optimizing IT Delivery Model
  - Target is to delivery predictable and repeatable result
  - Historically, Maui has functioned closer to a Asset-Optimizing (Cost-Minimizing) model
- Like the asset-optimizing model, the Process-Optimizing model is cost-center-based, however there are key distinctions:
  - Budgets, forecasts, analysis and reporting are focused on the traditional asset-based view
  - Funding of the IT budget is a fixed annual budget based on supply and how much funding is available, rather than demand and what the business needs from IT to deliver value
  - Requires detailed business case analysis of investments, including TCO calculations and definition of expected benefits / outcomes and risks which are mitigated

C2. Financial Planning and Reporting Approach – Define Future Vision

Defining the Process Elements

- The process supports the ability to account fully for the spend on IT services and to attribute these costs to the services delivered to County departments and assist management decisions on IT investment.
- The scope of IT Financial Management includes Budgeting, IT Accounting, and Charging (the responsibility for some of these processes may lie with the Finance or accounting department)
  - **Budgeting** - Predicting costs and controlling operational and capital expenditures. Forecasting of anticipated customer demand and predicting costs. Development of annual and departmental financial plans and budgets. Budget negotiation, evaluation of funding alternatives and approval. Allocation of budget ownership and monitoring of actual spend against budget and making adjustments as appropriate.
  - **Accounting -** Accounting and tracking of operational and capital expenditures. Tracking of staffing resources across various activities. Defining, implementing, and annual review of cost accounting methods and cost elements for providing management information on the costs service delivery.
  - **Chargeback or Showback** - Breaking down costs, and associate them with the various IT services provided. Development and/or refinement of charging policies. Development of a pricing/rating model and structure that links to services. Linking rates/pricing to actual usage and invoicing. Ensuring that costs are fairly and accurately covered of the IT Services from the customer.
  - **Monitoring and Reporting** - Monitoring and providing regular reports to the IT Management about issues such as the overall cost and benefits of the IT Services, cost analysis by each IT department or other relevant unit , planning for future investments and opportunities for cost reduction etc. Analyzing variances between forecasts and actual costs.

C2. Financial Planning and Reporting Approach – Define Future Vision

High-Level Attributes and Associated IT Delivery Models

Potential Future Status

	Asset	Process	Service	Value
Budgeting, Forecasting, Analysis and Reporting	Cost-center-based; one budget at CIO level	Still cost-center-based but moves down a level from CIO; start zero-based budgeting	Shift focus from cost center to service-based planning	Dynamic planning (rolling budgets) that moves away from annual fixed budgets
Investment and Business Case Analysis	No business case (basic estimates of implementation costs)	Includes all costs (TCO) and direct benefits (basic ROI)	Includes all costs (TCO) and hard and soft benefits (basic ROI)	Also includes business value metrics in business case
Chargebacks and Allocations	High-level allocation and showbacks	Domain-based consumption unit pricing	Tiered flat rates/service-based pricing	Service-based or market-based pricing
IT Benchmarking	Only internal benchmarking (compare your own internal performance)	Internal benchmarking and/or external benchmarking to other IT organizations	External benchmarking against external service providers	Market-based benchmarking
IT Staffing and Resource Management	Contract labor/staff augmentation	Selective offshoring and outsourcing	Global delivery model and multisourcing	Captive center/selective reinsourcing
Project Portfolio Management	All centrally funded; implementation cost tracking only; no post-project reviews	Central plus business unit (BU) funding; implementation and ongoing opex tracking; reviews of implementation costs on select projects	Central plus BU funding; all costs tracked plus benefits; reviews of costs and benefits on select projects	Joint ventures and partnerships; all costs and benefits tracked plus business value metrics; reviews of costs, benefits and value
Vendor Management and Procurement	Corporate Procurement of IT only; lowest contract bid architecture	IT procurement organization; spending based on standards, platforms and vendors	Vendor management and procurement in the office of the CIO; limit vendor lock-in through competition	Strategic vendor management; set goals for strategic vendor spending
IT Performance Management	Operational Efficiency	IT financial metrics and business process costing (for example, ROI and net present value [NPV])	Service cost metrics	Business value metrics and risk-adjusted metrics
IT Asset Management	Physical inventory of hardware and software; invoice-based asset auditing	Enhance the inventory to include financial implications; discovery-based auditing	Configuration management database (CMDB) connected to the general ledger (GL) broker doing auditing	More vendor responsibility for financial asset management; service-based usage audit on vendors

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C2. Financial Planning and Reporting Approach – Define Future Vision

Benefits of Service Catalog and Chargeback / Showback

A Service Portfolio and Catalog communicates services and value to customers.

Chargeback is a tool to effectively manage the delivery and consumption of IT services.

- Benefits of a Service Portfolio and Catalog:
  - IT is seen as a valuable asset to the business only when services are articulated in terms customers understand, and the **value of IT services is clear to customers**. Articulating value is the primary purpose of the Service Portfolio.
  - Clear service definitions describe what is/is not included in the service, helping to **set clear expectations for customers**. A Service Catalog sets these expectations.
  - Updates to the Service Portfolio and Catalog provide a **consistent forum for communicating service changes** to customers and for outlining potential future services.
- Benefits of Chargeback (charges beweent cost centers) or Showback (show charges to departments as part of project scoping / approval):
  - Chargeback/Showback helps to **manage the "supply and demand" of IT services**. IT is no longer a "free" resource.
  - Chargeback/Showback helps ensure that **customers pay for the services they use**, and are not subsidizing other customers.
  - Chargeback/Showback can **encourage positive customer behaviors** (e.g., compliance with standards, moving away from older technologies).

C2. Financial Planning and Reporting Approach – Define Future Vision
Service Portfolio Considerations

Customize the Service Portfolio or Catalog approach based on the specific business and IT needs of Maui

- There is no "industry standard" Service Portfolio or Catalog that can be adopted by Maui
- Service catalogs are typically similar at only the highest level, with similar major service groupings in the Table of Contents (e.g., End User Services, Data Network Services, Application Services, etc.)
- The specific offerings included in Service Catalogs vary based on:
  - **Organization size** (e.g., Large vs. Medium) – Large organizations may have the resources to implement and administer granular sets of service offerings, while smaller organizations may need to keep the set of offerings very simple so cost recovery can be handled with little overhead
  - **Organization complexity** (e.g., Regional vs. US vs. Global) – Global organizations tend to have variations in service offerings and/or service levels to accommodate differences in global markets, which regionally-based and US-based organizations do not have
  - **Variations in customer base** (e.g., a few large customers with similar needs/resources vs. many customers of different sizes with greatly differing needs/resources) – significant variations in customer needs/resources drives a greater number and variety of service offerings to meet those needs
  - **Service provider** (e.g., Internal vs. External) – External service providers may have the capacity and experience to provide more granular service offerings and more variations in service levels for higher contract amounts, while service offerings of internal service providers are typically constrained by existing resources and capabilities

C2. Execute on Approach – Challenges and Execution
Developing Service Catalogs and Chargeback / Showback

- To meet the business and IT needs for simplicity, fairness, controllability, predictability and administrative burden
- **Sample Scenario:** Should we combine several offerings into large packages and charge a flat fee per user or should we provide distinct offerings for desktop/laptop, network access, e-mail to allow customers to choose the individual services they need?
  - **Bundling Pros & Cons:** Easy to administer for IT, easy for customers to understand. However, Customers have little control over their IT spending as they cannot select only the service offerings/service levels they need; some customers will subsidize others if some get better equipment/service levels than others for the same price
  - **Distinct Offerings Pros & Cons:** Customers can control IT spending and won't subsidize each other. However, its more difficult for IT to administer so many unique service elements
- **Answer:** Either approach is acceptable
  - The decision is based on your unique customer requirements and IT capabilities. Some organizations can use a "one size fits all" service approach very successfully. Others must provide a minimum set of choices, while others must provide a very granular set of service offerings.
  - This decision must be made for every service.
  - There are trends in combining/separating service offerings that will inform your decision. Take cues from both 3rd party service providers and other internal organizations.

C2. Execute on Approach – Challenges and Execution

Developing Service Catalogs and Chargeback / Showback

- **Sample Scenario:** How should we charge for Service Desk? Service Desk can be charged several ways, each of which drives customer behavior:
  1. **Per Call/Per Contact:** May discourage users from calling the Service Desk and may encourage them to find other "free" ways into IT for help. Bad for organizations with frugal and creative users. Encourages users to use available on-line self-help options.
  2. **Per Incident:** May still discourage some users from calling the Service Desk, but not as much as per call. Customers with more simple incidents will subsidize customers with more complex incidents.
  3. **Per User:** The "all you can eat" approach – once the per user fee is paid, they have unlimited calls to the Service Desk. Good for organizations who want simple administration and want to encourage use of the Service Desk. Does not encourage self-help.
  4. **Embedded in the Services Supported by the Service Desk:** Service Desk is NOT a separate service offering. Cost of Service Desk is recovered through the charge for service offerings supported by the Service Desk. Good for organizations who want to keep administration simple and encourage use of the Service Desk. Cost per call/incident can still be used as an internal performance metric.
- **Answer:** Any of these methods may work for your organization.
  - The decision is based on the behaviors that the IT provider wants to drive among customers, and the administrative capacity of the IT provider.
  - There are multiple potential chargeback methods for every service offering.
  - There are trends in the use of these methods based on culture, maturity and objectives of the organization which can help inform your decision.

C2. Execute on Approach – Challenges and Execution
Setting Service Level Targets

- Gartner can assist clients in defining their service level metrics and targets using its Service Level Management Database (SLMD)
  - Compilation of current contracted service levels between external service providers (ESP) and service recipients (SR) from Gartner Measurement, Research and Consulting
  - Represents a broad cross section of industries, External Service Providers, and Service Recipients
  - Contains the most 'common' contracted observations

Output should be service level metrics and targets for all services in the Service Catalog

Service Level Metric	Description	Target
Service Desk – Call Answer Time	The number of seconds it takes a User Agency representative to connect with the IT Group Service Desk Representative.	90% of calls will be answered < 30 seconds by an IT Group Service Desk Representative
Service Desk – Call Abandonment Rate	The proportion of calls that come into the IT Group Service Desk which either hang up or are disconnected before the Service Desk Representative answers the phone. Excludes immediate hang ups (due to wrong number).	<5% of calls abandoned
Service Desk - Availability	The percent of time that the Call Center environment is available for normal business operations.	99.5%

Example

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C2. Execute on Approach – Challenges and Execution

Setting Service Level Targets

IT Business Service Catalog Rate Development: Best practice is to target IT business service catalogs to the ultimate business consumer of a service. For this reason, we decided to bundle all applications and associated assets into four primary service clusters: (1) Workplace Services, (2) Business Services, (3) Site Services, and (4) Transformation Services.

Workspace Services	End User Computing Device
	Telecom
	Collaboration
	SmartPhone / Tablets
Business Services	Marketing
	Consumer Sales
	Finance
	HR
	Operations
Site Services	Public Payment Processing
	Warehouse
	Permitting
	Call Center(s)
Transformation Services	Application Development
	Business Process Improvement

Personal Computing Device Service Cost Stack	
x	End-User
x	X-86 Server
x	Storage
x	Data Network
	Voice
x	Help Desk
x	Shared Infrastructure
x	Management & Admin

Simple 3-Step Process

1. Identify cost pools
2. Identify services
3. Allocate cost pools to services

Initiative S1

Develop County Technology Refresh Program – Description

Overview:	Expected Benefits:
IT is a key support function and enabler for the business to optimize their functions, however, the benefits to the business and the potential efficiency gains are significantly impacted if technology is not kept up-to-date through regular refresh cycles. Further, the county's ability to meet the service needs of citizen, as well as, to efficiently work with external service providers is greatly assisted through the use of modern solutions. Understanding the business drivers is a critical element of investing in technology, as cost does not relate to value. Lastly, updated technology and standardized desktop computing images will alleviate the complexities and level of effort for the IT department to do break-fix / maintenance on older technology, allowing them to focus on more strategic and service-oriented efforts.	• Increased productivity from business users county wide • Greater customer satisfaction • Simpler support environment • Less resources needs for technology / system upkeep and problem resolution, allowing for more focus on strategic efforts

Initiative S1

Develop County Technology Refresh Program – Key Actions

Activities	Timeline:
A. Invest in a Technology Refresh for Desktop, Server & Storage ▪ Work with departments to prioritize needs for desktop computing refresh, starting with a focus on super users / heavy processing needs ▪ Work across departments to determine highest risk applications and tools, focusing on both a controlled list of application to be replaced and those to be retired / migrated to new tools ▪ IT to determine a consolidation and standardization strategy to simplify the desktop computing (e.g., decrease the number of desktop images, standardize on one email server, etc.) ▪ Create a modernization plan for the data center hardware ▪ Plan and implement the deploying of the technology refresh based on the available resources; explore use of temporary / external resources to assist with installation	18 months
B. Define and Plan for Future Technology Needs ▪ Define approach for calculating annual hardware investments needs ▪ Ensure annual budgeting includes reoccurring operational funds associated with technology refresh cycles ▪ Conduct annual deployment of new hardware and tools	3 - 6 months

Initiative S1
Refresh County Hardware – Best Practice Discussion

The following slides provides best practice information in support of recommended actions:

Key Action	Objective	Best Practice Summary
Refresh County Harware	Planning Considerations	IT Market Clock for End User Client Computing
	Evaluating improvement opportunities	Hardware Investment
		Support Investment

Initiative S1
Refresh County Hardware – Execution

- Updating the county infrastructure hardware should be conducted based on an assessment of the existing usage and future requirements of the County's different departmental user
  - This includes identifying and categorizing different user types and characteristics
- Enduser computing should be standards throughout the county into a minimal number of configuration setups (e.g., less than five)
  - Exception processes should be set up for users requesting non-standard configuration for their hardware or software needs
- A straight-forward hardware refresh plan must be created and communicated with the business community to set expectations for timeframes and implementation plans
  - Timeframes must be based on resource availability

S1. Refresh County Hardware – Planning Considerations

IT Market Clock for End User Client Computing

Key Focus for Maui:

- Microsoft plans to end support for XP in April 2014, therefore organizations should be conducting their Windows 7 migration.
- Desktop PCs are highly commoditized, and offer little scope for differentiation, therefore buyers prioritize image stability above all other criteria. Plan to selectively replace desktop PCs with thin-client terminals or notebooks, depending on user role-based requirements.
- Desktop PCs have a lower total cost of ownership than notebooks and therefore remain the first choice for users without any mobility requirements.

Understanding the IT Market Clock

- The “Advantage” stage represents emerging status - higher cost and benefits unproven.
- The “Choice” stage represents early mainstream - more vendors enter the market and prices declining.
- The “Cost” stage is mature mainstream. Commoditization is very high and cost is the procurement motivator.
- The “Replacement” stage is legacy and market end. Procurement and operating costs will rise, and enterprises should seek alternative.

Figure 1. IT Market Clock for Client Computing, 2011

Source: Gartner (August 2011)

S1. Refresh County Hardware – Planning Considerations

Evaluating TCO for I&O – Cost Estimation Approach

- Using Gartner's Total Cost of Infrastructure and Operations (TCI&O) methodology, high level operational cost estimates can be created based on industry average costs (figures below use actual Maui user and infrastructure totals)
- Maui can use this analysis as a starting point for creating a business case for TCI&O cost, then refine the assumptions and parameters to fit its particular situation

Estimate For Non-Data-Center Costs

Platform	Unit of measure	Estimated Cost
Voice Network	Average cost per employee	$1,885,422
Data Network	Average cost per employee	$1,428,042
Client Computing	Average cost per employee	$2,467,311
Service Desk	Average cost per employee	$548,856
	Sum	**$6,329,631**

Estimate For Data-Center Costs

Platform	Unit of Measure	Estimated Cost
Mainframe	Average cost per MIPS (installed)	$0
Windows Server	Average cost per No. of physical machines (installed)	$285,700
Unix Server	Average cost per No. of physical machines (installed)	$938,448
Storage	Average cost per No. of TBs (raw configured)	$146,280
LAN	Average cost per No. of ports (active)	$199,800
	Sum	**$1,570,228**

S1. Refresh County Hardware – Evaluating Improvement Opportunities

Hardware Investment

Hardware Investment	Benefit
Evaluate improving function and process of defining the business case and benefits for funding requests ▪ Understand the business drivers: Cost ≠ Value ▪ Understand the enterprise workflows, users, and ecosystem ▪ If switching, plan to go incremental: Focus on decreasing the use of Corel (or Office) rather than trying to eradicate ▪ Test the switch: Double-check that the project was successful and adjust accordingly. ▪ Monitor the shift to more collaborative creation; ensure any productivity suite initiatives take place within the broader context of greater collaboration.	▪ Align technology investment with business value ▪ Ensure investment and implements are made in a calculated order ▪ Help introduce concept of collaboration to the business users

S1. Refresh County Hardware – Evaluating Improvement Opportunities

Support Investment

Support Investment	Benefit
Managing different standards on the desktop typically creates a complex support environment ▪ Currently manage the Corel suite and MS suite and now with Police Dept., two separate email platforms ▪ **Consolidation:** Define standards for main desktop and productivity software: − The Office Suite: Corel vs. Microsoft or both − eMail: GroupWise vs. Exchange or both − Collaboration: the future of work ▪ **Best Practice Consideration**: − In the next three months, calculate internal email costs and determine lifecycle of existing options − In the next year, create a three-year email and collaboration strategy, including assessing cloud email and opportunities for segmenting user communities. ▪ **GoupWise Considerations:** − Until acquisition by The Attachmate Group, market share was in steady decline − Continue to see erosion but Novell has taken action with GroupWise 2012, improvements include better Web access, templates for iPads and integration with Skype.	▪ Opportunity to decrease the risk and effort of supporting the desktop ▪ Defining standards will help ability to support standardize images

Initiative S2

Mature the IT Service Management Program – Description

Overview:	Expected Benefits:
IT Service Management (ITSM) is the collective behaviors, competencies, processes, management systems and technologies that drive the IT organization's ability to deliver desirable and predictable operational outcomes. ITSM is founded on a set of mechanisms for *managing* services in order to *optimize* the value delivered. Maturing the ITSM function is dependent on the ability to track and measure performances metrics and target opportunity areas. Best practice processes (e.g., ITIL) have been defined by industry experts and are recommended as the foundation for developing ITSM.	• Maximizes the business value of the entire IT service portfolio by delivering the right internal IT products and services, at the right price, with the right performance levels • Ability to track performance of IT held desk / support functions • Ability to adopt a process compliant (e.g., ITIL) tool to support function

Initiative S2

Mature the IT Service Management Program – Key Actions

Activities	Timeline:
A. Mature and Grow IT Service Management Approach ▪ Begin to track and analyze metrics for the ITIL processes currently deployed (e.g., Request, Incident & Major Incident, Change Management) ▪ Continue to train staff on industry standard ITSM standard (i.e., ITIL) and identify key service areas for expansion ▪ Establish Help Desk as the *single* point of user contact for service and help issues; formalize handoffs and response mechanisms when resolution responsibility is transferred ▪ Define requirements for and implement additional ITSM processes based on stated business needs and ITS capabilities ▪ Define metrics and agree to SLA with the business for ITSM ▪ Evaluate and select an industry leading ITIL compliant ITSM tool to configured for the “right sized’ approach for Maui IT ▪ Complete existing Disaster Recovery (DR) and Business Continuity (BC) Planning; execute existing plan and ensure secondary site is ‘live’ as soon as possible based on available resources	15 – 18 months

Initiative S2

Mature IT Service Management Program – Best Practice Discussion

The following slides provides best practice information in support of recommended actions:

Key Action	Objective	Best Practice Summary
Develop Service Objectives	Planning Considerations	Overview of the Process Scope
		Defining Service Approach and Focus
Develop Service Catalogue	Service Strategy	Defining IT Service Portfolio, Catalog and Chargeback Services
		Defining IT Service Portfolio, Catalog and Chargeback Services - Example

Initiative S2

Mature IT Service Management Program (ITSM) – Execution

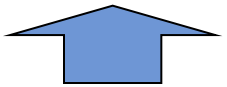
- Successfully maturing ITSM requires the creation of a common view of the IT service portfolio, founded on leadership's commitment to drive the initiatives based on best practice processes and metrics to track performance
- The objective of growing the maturity of service management must be to provide IT operational excellence
  - Process must be continually improved by tracking and reporting key metrics to capture service levels, define improvement targets, and track improvements
  - There is a significantly widening credibility gap between mature IT service organizations and immature ones, this has profound impact on what value the business can derive from IT and how it will choose to source that value

S2. Mature IT Service Management (ITSM) – Planning Considerations

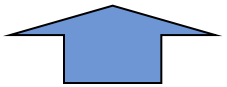
Overview of the Process Scope

- There are three key objectives of IT Service Management applicable to any organization seeking to optimize their IT services:
  - Align IT services with current and future needs of the business and its customers
  - Improve quality of IT services delivered
  - Reduce long-term costs of service provision.
- Maui ITS must carefully select the order of processes to implement, the “right-sizing” of the process”, and the necessary metrics to track

Service Delivery	Service Support
Service Level Management	Incident Management
Financial Management for IT Services	Problem Management
Capacity Management	Configuration Management
IT Service Continuity Management	Change Management
Availability Management	Release Management



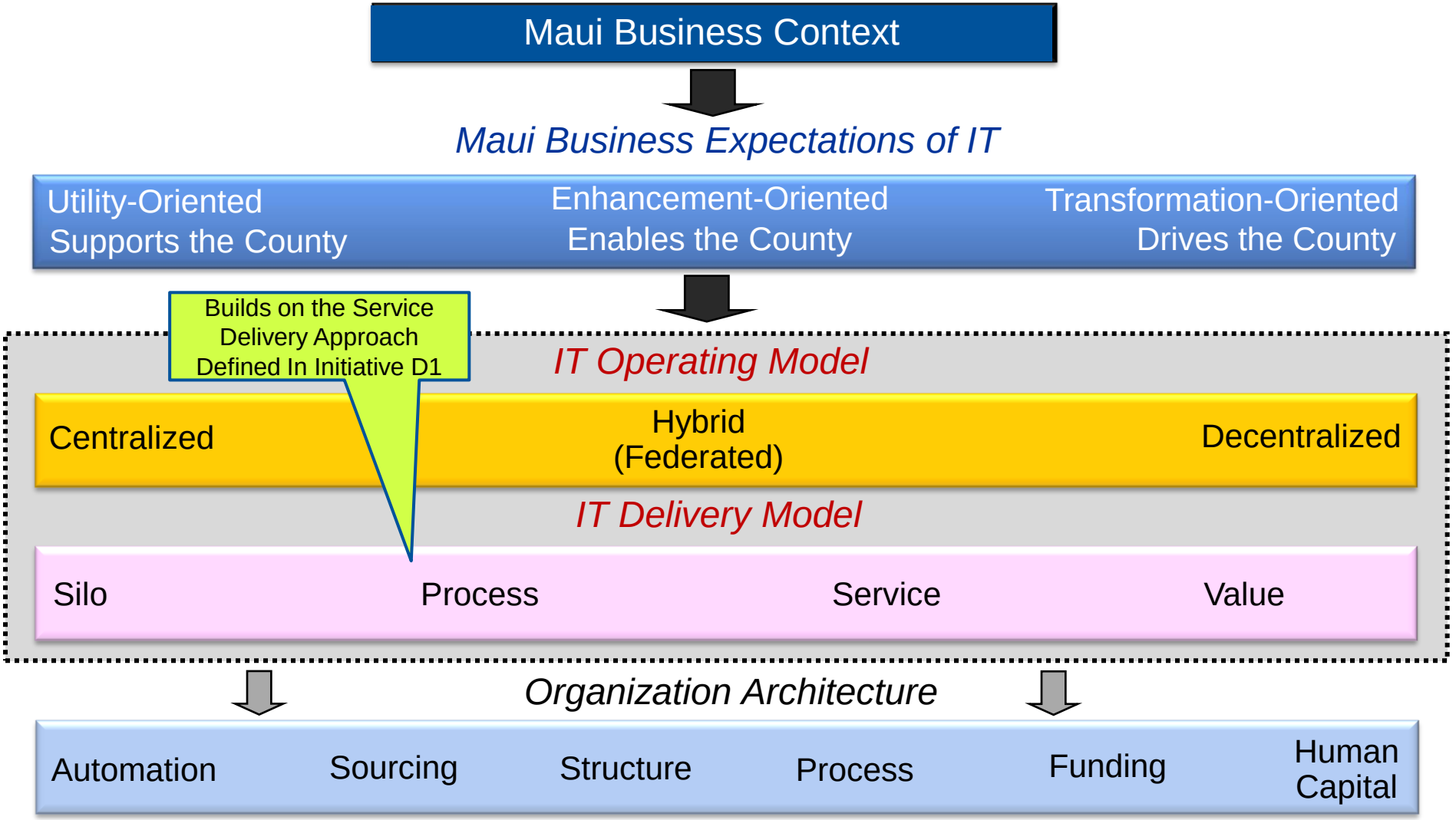
Long-term planning and improvement of IT services



Day-to-day operation and support of IT services

S2. Mature IT Service Management (ITSM) – Planning Considerations

Defining Service Approach and Focus



S2. Mature IT Service Management (ITSM) – Planning Considerations

Defining Service Approach and Focus

Services	Processes
▪ Results matter to the Business Units ▪ Business Units do / should have input into performance criteria ▪ Ongoing tracking and reporting on performance criteria is of interest to the Business Units ▪ Examples include: application support, workplace network access & services	▪ Results matter to the IT Department ▪ Business Units do not / should not have input into performance criteria ▪ Ongoing tracking and reporting on performance criteria is of interest primarily to the IT Department ▪ Examples include: application testing and acceptance, help desk

- Services provide assistance or advantage to customers. The advantage delivered is the service's value proposition
- It is unusual for an IT Department to offer more than fifteen or sixteen true services
- Processes are fulfillment elements relevant to the service provider; customers should ideally be shielded from these processes

S2. Mature IT Service Management (ITSM) – Service Strategy

Defining IT Service Portfolio, Catalog and Chargeback Services

Step I

Develop IT Service Portfolio

Highest level of service definition including:

- Entire suite of services articulated in business value terms
- Full lifecycle of services – retired services, live services and service pipeline
- Value proposition

Step II

Develop IT Service Catalog

Defines specific offerings within services including:

- Service offering descriptions
- Exclusions
- Chargeback methods
- Service levels
- Ordering/request contact points
- Issue escalation contact points

Optional Step III

Develop IT Service Rate Structure

Based on:

- Service Catalog offerings
- Chargeback methods
- Operating costs
- Forecasted usage

S2. Mature IT Service Management (ITSM) – Service Strategy

Defining IT Service Portfolio, Catalog and Chargeback Services – Example

3.0 End User Computing

3.1 Personal Computing

Service Offering Description	Service Notes
■ **Desktop/Laptop Support** – Desktop or laptop device (including procurement of device and purchase price of device) – Installation, moves, adds and changes to desktop or laptop device – Refresh of hardware according to five-year refresh cycle – Standard software (e.g., Word, Excel, PowerPoint and other XYZ-standard software) – Automatic software updates to minimize interruptions – Data connectivity to the XYZ global network for supported desktops/laptops – Wireless data connectivity access for laptop devices – Internet access – Protection from intrusion with firewall and antivirus technologies – User personal directories for file storage, with scheduled data backup and file restoration as needed – Ongoing support for all desktops, laptops and accessories – On-location desktop technician support available for hardware issues not resolved through telephone support	■ Personal directories provide 2GB of storage space per user. ■ Desktop/laptop installations, moves, adds or changes (IMACs) involving more than 10 desktops/laptops, or involving any number of devices but requested with less than five business days' notice, will be considered a project and is not included within the monthly fee for this service.

Rates

Service Offering	Rates
3.1.1 Desktop Support	$XX.00 per desktop per month
3.1.2 Laptop Support	$XX.00 per laptop per month
3.1.3 Additional Home Directory Storage	$XX.00 per additional 2GB of storage per month

Service Levels

Service Level Metric	Description	Target
Time to Resolve Distributed Computing Service Request – Severity 1	Acceptable time to resolve problems for hardware, software and system components within the desktop environment that are mission critical or affect a significant number of end users.	Within 2 hours, 95% of the time
Time to Resolve Distributed Computing Service Request – Severity 2	Acceptable time to resolve problems for hardware, software and system components within the desktop environment that have a major impact or affect a moderate number of end users.	Within 8 hours, 80% of the time
Time to Resolve Distributed Computing Service Request – Severity 3	Acceptable time to resolve problems for hardware, software and system components within the desktop environment that have a moderate impact or affect few end users.	Within 2 business days, 95% of the time
** *Remaining metrics redacted* **		

How to Order	Getting Help
To order this service, please contact: *Name* *Title* *Address* *Phone* *E-mail*	**To receive help with Desktop/Laptop Support issues, please contact:** **XYZ Service Desk** ***Online***: *XXXXX* ***e-mail:*** *XXXXX* ***Telephone:*** *XXX-XXX-XXXX* ***In Person:*** *XXXXXXXXXXX*

Initiative S3

Establish a County Wide Enterprise Architecture (EA) – Description

Overview:	Expected Benefits:
Enterprise Architecture (EA) is the process/discipline for translating strategy into execution by 1) correlating EA to the business strategy, 2) generating a roadmap of activities, and 3) providing guidance on how to execute the plan for the solutions/efforts to follow (i.e., “if anybody is exposing data to the public, these are the security and technology standards”). Enterprise architecture ensures that all IT initiatives drive in a consistent direction to along an efficient path. Well defined EA parameters should be incremental, repeatable, and pragmatic, while still evolving over time.	• Improved ability of IT to respond to the business investment requests quickly and efficiently • Better use of information and technology • Reduced time to evaluate and complete projects • Reduced long-term IT maintenance costs

Initiative S3

Establish a County Wide Enterprise Architecture (EA) – Key Actions

Activities	Timeline:
Establish EA: Technology and Solution Context ▪ Define requirements and scope for Maui ▪ Evaluate potential industry-standards and adopt a right-sized EA frameworks ▪ Evaluate if skills exists in-house to develop and manage the EA and address gap ▪ Develop the relevant Enterprise Context artifacts to align on the target state, focus on the business / solution architecture and application architecture to define the guidance around technology and process standards ▪ Define the relevant, actionable, and business outcome oriented EA metrics ▪ Leverage deliverables and artifacts created for projects (e.g., RPT system)	4 - 6 months
Expand EA: Information and Business Context ▪ Grow the scope of the relevant Enterprise Context artifacts, focus on a business reference architecture and information architecture, to define mature the guidance around technology and process standards ▪ Review and ensure all EA goals and deliverables are updated based on business needs and outcome-oriented (actionable, measurable, and diagnostic)	4 - 6 months
Define Alignment with County IT Strategy ▪ Grow the maturity of the program by defining the direct correlation between the EA goals, standards, and processes with the County's IT Strategy	4 - 6 months

Initiative S3

Countywide Enterprise Architecture (EA) – Best Practice Discussion

The following slides provides best practice information in support of recommended actions:

Key Action	Objective	Best Practice Summary
Countywide Enterprise Architecture	Initiation	EA Defined
		Business Strategy and EA Relationship
		Customizing the EA Framework
		The Eight Characteristics of Leading EA Programs
	Strategic Composition	First 100 days
		Defining Metrics to Track the Success of EA
		Representative artifacts produced from an EA Strategy

Initiative S3
Establish a County Wide Enterprise Architecture (EA) – Execution

- IT Service Management (ITSM) planning should focus the ability to maintain and gradually improve business aligned IT service quality through a constant cycle of agreeing, monitoring, reporting and improving IT service processes
- As Maui expands its IT Service Management Capabilities, the focus should including:
  - Leading and supporting business and technology change
  - Be outcome-oriented (creating actionable, measurable, diagnostic, enabling deliverables)
  - Be incremental, recursive, evolving, pragmatic
  - Inclusive of and collaborative across business and IT
  - Enterprise scope, including people, process, information and technology
  - Measurable, in terms of qualitative and qualitative value
- The key to continued improvements is that through the definition, tracking, and reporting of metrics, such as Service Level Agreements (SLAs) and process duration tracking, IT will facilitate its ongoing self-review of service achievements which ensure the required and cost justifiable service quality is maintained - or improved

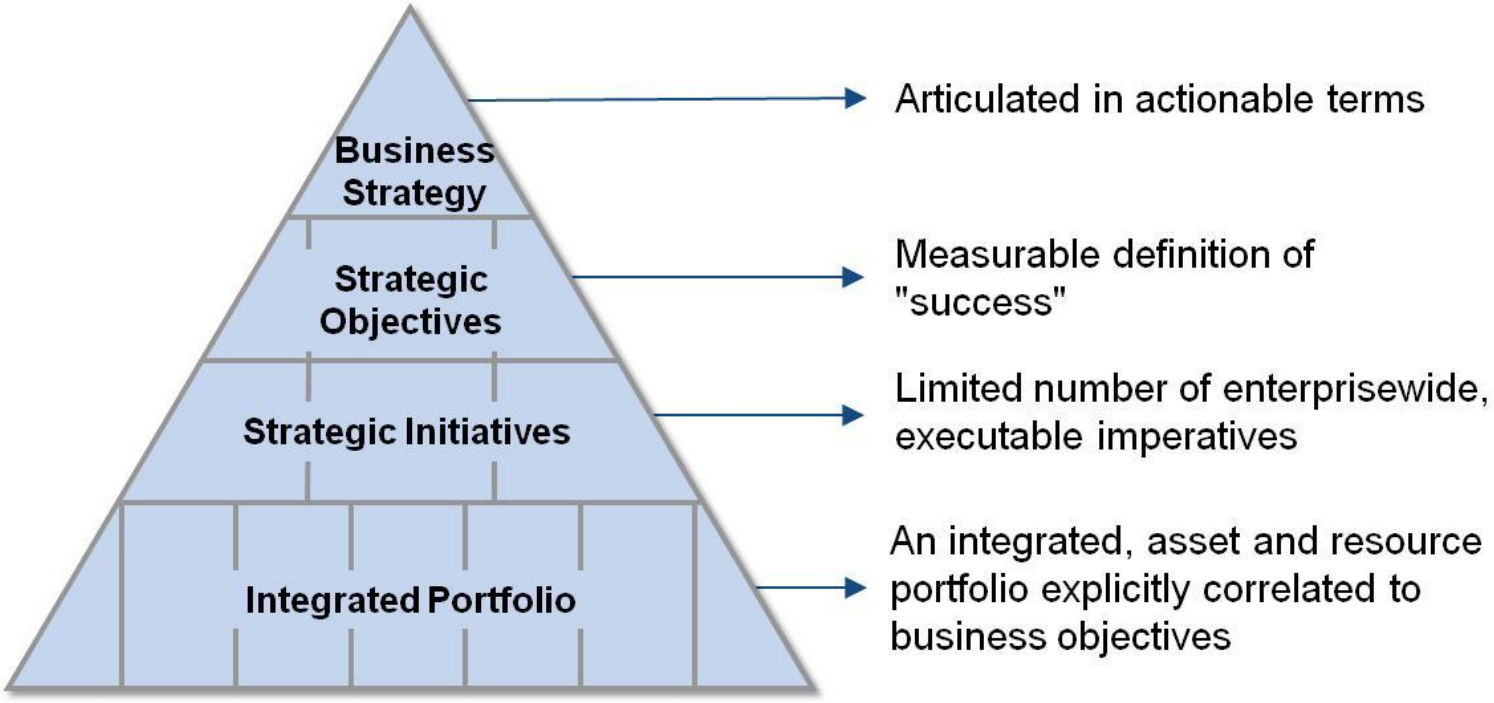
S3. Countywide Enterprise Architecture – Initiation
EA Defined

- Short Definition
  - *Enterprise architecture is the process of translating business vision and strategy into effective enterprise change by creating, communicating and improving the key principles and models that describe the enterprise's future state and enable its evolution.*
  - The short definition tells us what EA is: a process that creates, communicates and improves principles and models that guide the evolution of the enterprise. However, to address all the critical aspects of the definition, an expanded definition is required:
- Long Definition
  - *Enterprise architecture is the process of translating business vision and strategy into effective enterprise change by creating, communicating and improving the key principles and models that describe the enterprise's future state and enable its evolution. The scope of the enterprise architecture includes the people, processes, information and technology of the enterprise, and their relationships to one another and to the external environment. Enterprise architects compose holistic solutions that address the business challenges of the enterprise and support the governance needed to implement them.*

S3. Countywide Enterprise Architecture – Initiation

Business Strategy and EA Relationship

Relationship of Business Strategy to EA is Key to Identifying, Reconciling and Executing on Strategic Imperatives



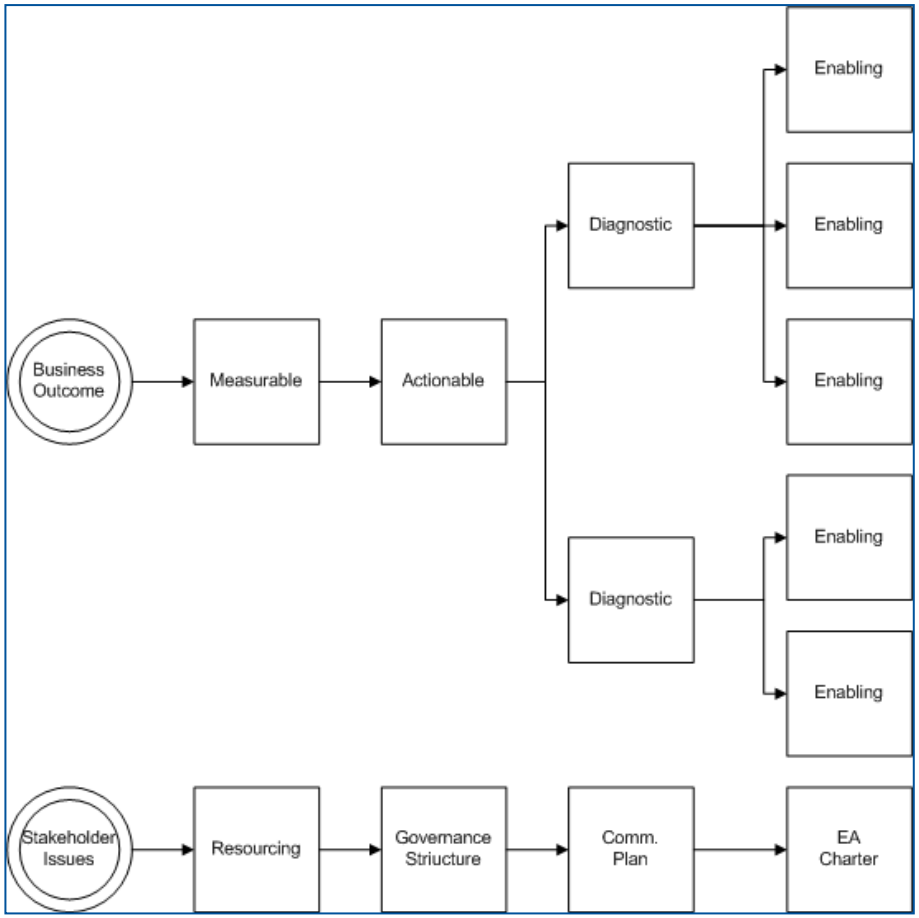
Supporting business and technology change through outcome-oriented (actionable, measurable, diagnostic, etc.) goals that are both evolving and pragmatic, and promote collaboration between business and IT to achieve the goals.

S3. Countywide Enterprise Architecture – Initiation

Customizing the EA Framework

Industry frameworks should be used for inspiration, not perspiration

- Don't be a slave to an industry framework
- **Your** custom framework must be driven by **your** business outcomes
- All information in the framework must feed decision making
- Collecting information that does not feed decision making is a low- (or no-) value activity
- Focus operational deliverables on stakeholder issues

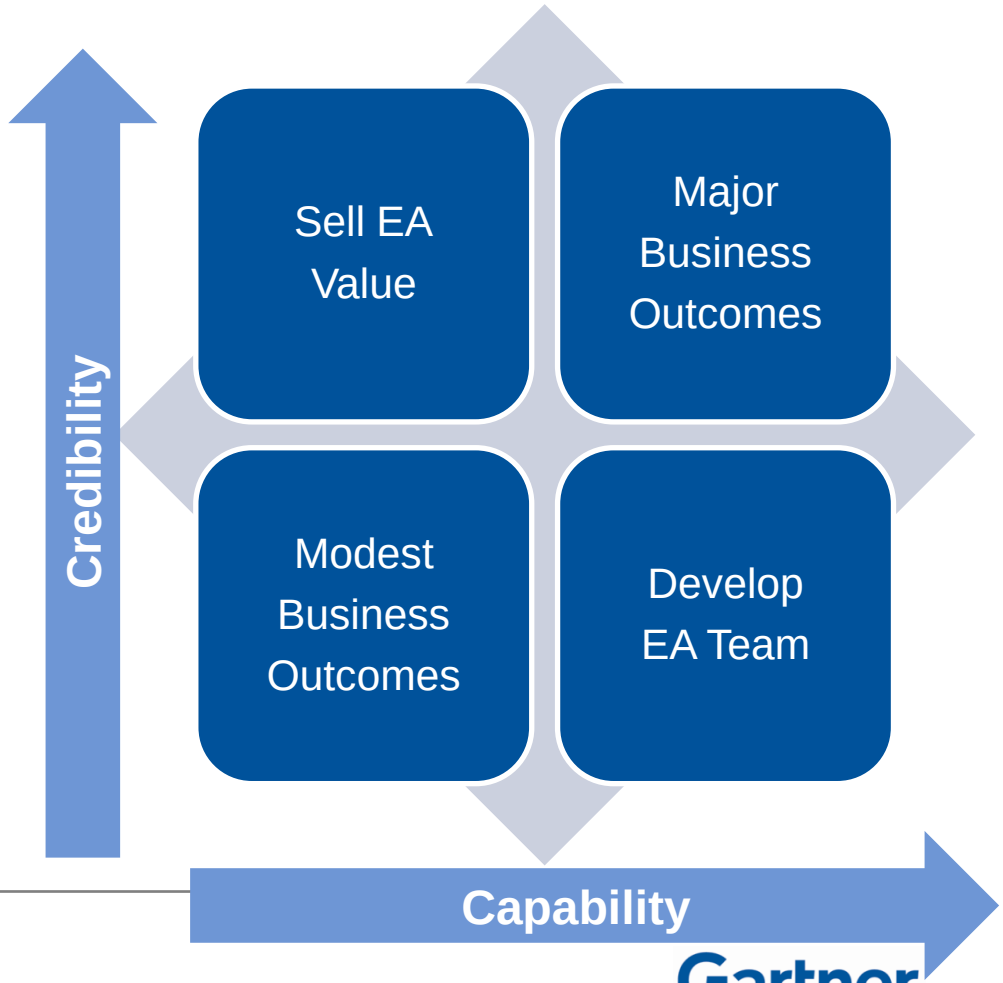


S3. Countywide Enterprise Architecture – Initiation

Customizing the EA Framework

EA Teams Must Earn the Right to Work on Big Things

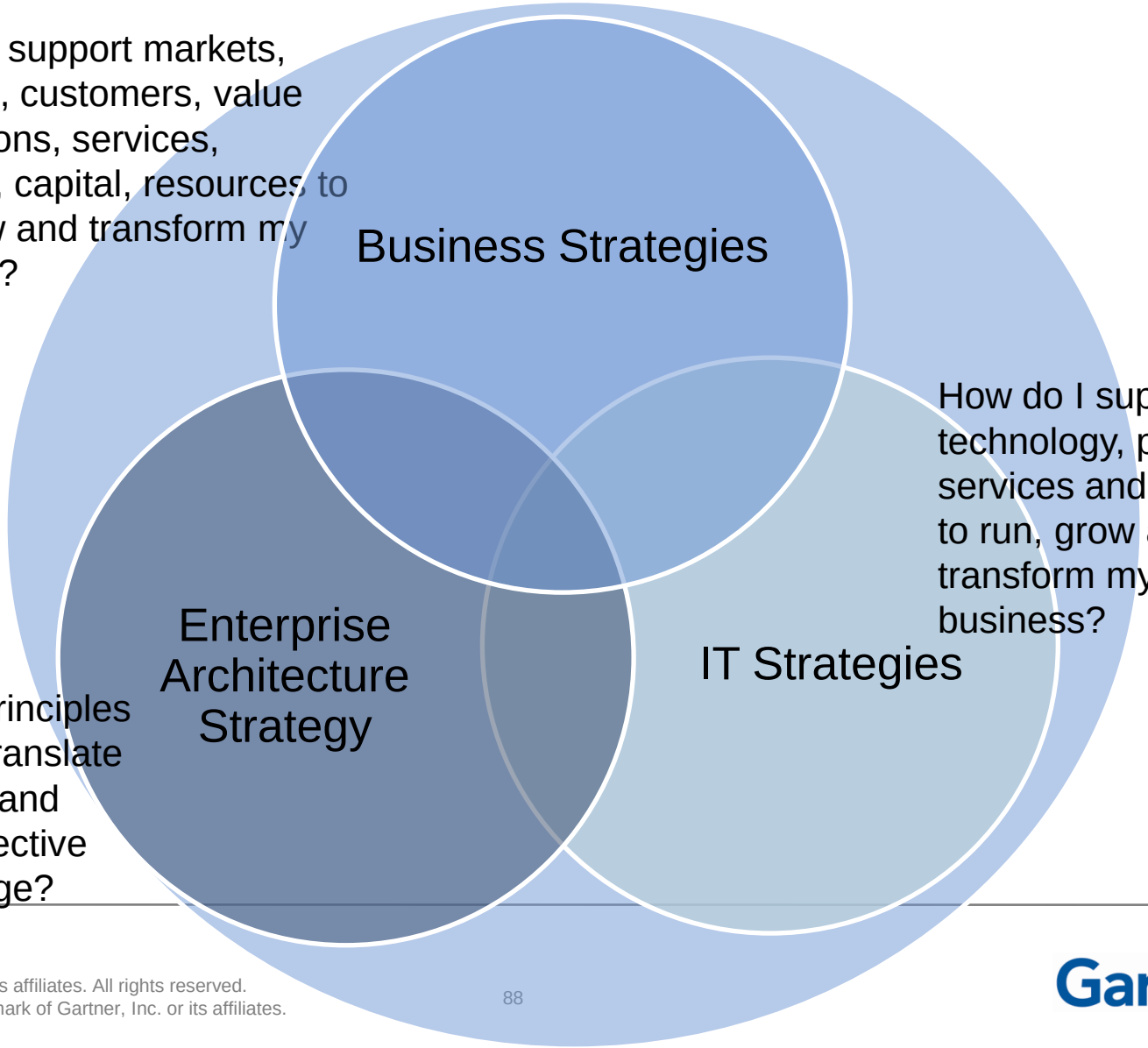
- Many EA teams are immature
- These teams have not earned a seat at the business strategy planning table
- Developing credibility requires demonstrated ability, which is gained by implementing EA over time, often time on incrementally on a project-by-project approach



S3. Countywide Enterprise Architecture – Initiation

Integration with Business and IT Strategies is Key

How do I support markets, channels, customers, value propositions, services, products, capital, resources to run, grow and transform my business?



How do I support technology, partners, services and resources to run, grow and transform my business?

How do I create requirements, principles and models to translate business vision and strategy into effective enterprise change?

S3. Countywide Enterprise Architecture – Initiation

The Eight Characteristics of Leading EA Programs

Bad strategy is...Fluffy

1. Fails to face the challenge
2. Mistakes goals for strategy
3. Centers on bad strategic objectives

Good strategy is... Decisive

1. Diagnosis
2. Guiding policy
3. Set of coherent actions
4. Defined target business outcomes

1. Linked to business strategy, and driven by future-state vision(s)
2. Leading and supporting business and technology change
3. Outcome-oriented (creating actionable, measurable, diagnostic, enabling deliverables)
4. Incremental, recursive, evolving, pragmatic
5. Inclusive of and collaborative across business and IT
6. Enterprise scope, including people, process, information and technology
7. Stakeholder support and engagement
8. Measurable, in terms of qualitative and qualitative value

S3. Countywide Enterprise Architecture – Initiation

Business-Outcome-Driven EA

Operational	•Communications •Governance •Resources
Enabling	•Current-State Models •Future Requirements
Diagnostic	•Analysis Tools and Methods •Future-State Models
Actionable	•Business Change Road Maps •Project Inception Documents •Reference Documents
Measurable	•Projects Initiated •Project Exceptions •Business Outcomes

Gartner

S3. Countywide Enterprise Architecture – Initiation

EA Must Start and End With Measurable Business Outcomes

Game Plan

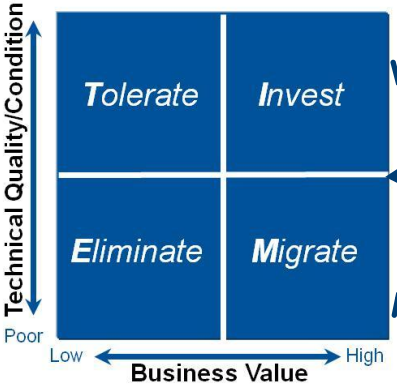
Measurable | Actionable | Diagnostic | Enabling | Operational

Delivering

Business Value

Technology Inventory

Technical Standards

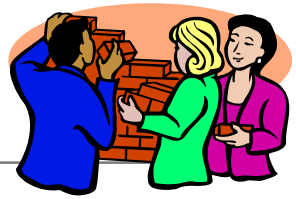


Rationalized Solution Portfolio

Solution Portfolio Road Map

Business Outcome

Actionable Deliverable



EA Framework and Process

S3. Countywide Enterprise Architecture – Strategic Composition

First 100 days

- What are the critical business strategies that will have an impact on the enterprise, and the IT organization specifically?
  - The Mayor's Vision?
- What is the scope of the EA effort?
  - Limit the scope, start with GIS?
- What are the requirements that the EA process and deliverables must satisfy?
  - Efficiency and justification of an expanded investment?
- What is the expected value proposition of the EA effort?
  - Improved clarity on business value of IT and more holistic investments
- Who will communicate and obtain sign-off for the set of governing principles defined for the EA?
  - Jacob / Keith?
- Who will be responsible for keeping all these deliverables up-to-date?
  - Jacob / assigned to ??
- Who will communicate the outcomes for each of these deliverables, and obtain agreement and sign-off for them when they change?
  - Jacob / Keith / ??

S3. Countywide Enterprise Architecture – Strategic Composition

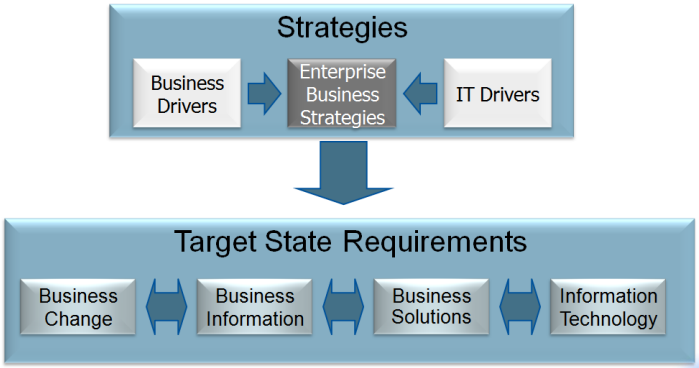
Defining Metrics to Track the Success of EA

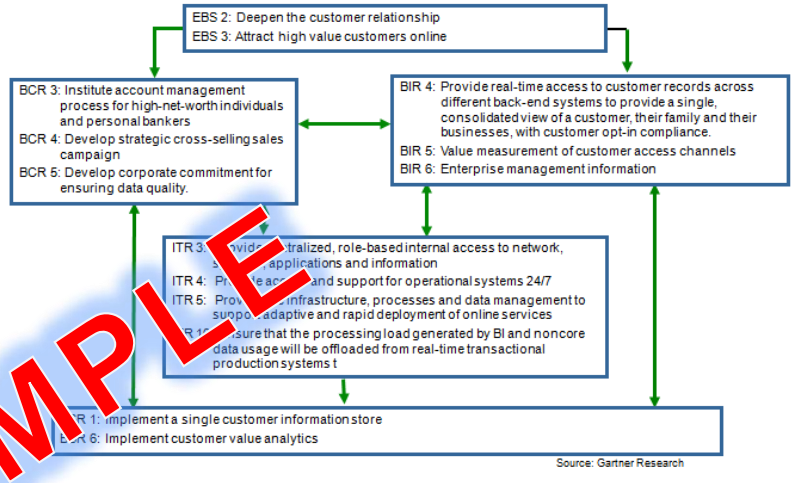
- The value of metrics is that they show how the EA program supports the business strategy and goals
- Develop a set of performance metrics that demonstrates the value-add of your EA program - these measures should be related to business outcome measures
- Gartner's survey of IT leaders indicated they have a strong focus on business outcome measures, such as increase in new revenue and faster business time to market, Sample of Potential Metrics:
  - Increase in business customer satisfaction
  - Increase in IT customer satisfaction
  - Increase in business efficiency
  - Increase in new revenue
  - Decrease in project spend
  - Reduction in IT portfolio costs
  - Faster IT time to market
  - Faster business time to market
  - Reduction in project risk

S3. Countywide Enterprise Architecture – Strategic Composition

Representative artifacts produced from an EA Strategy

Enterprise Context – Strategic Requirements

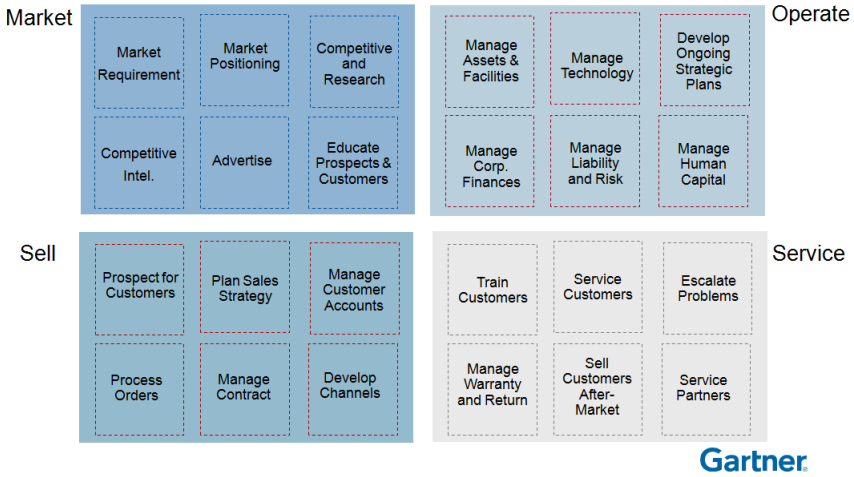




Enterprise Context – Sample Principle

Know The Customer	**Customer information is accessible ac all lin of business, regardless of the product rela to the customer, and includes all information re ed to the customer (namely, customer's spouse, children, other accounts, etc.).**
Rationale:	• To enhance the customer experience and ensure consistent customer satisfaction irrespective of the contact point, all customer-facing processes will have the same look and feel and use the same information regardless of business area or product line • By developing a deep shared knowledge of the customer and tailoring our products and communications to them, we will achieve our strategy of developing deeper, more profitable relationships with customers by offering a one-stop resource for all their financial services — personal as well as business..
Implications:	• We must define the authoritative source of customer information and ensure that redundant data stores are eliminated. We must rationalize our data definitions of customer and use a single consistent definition across the enterprise. • Common process standards that incorporate industry and organizational best practices must be used. • New customer-facing processes must be designed to accommodate a broad range of deployment options. • The processes must access common sources of information and share information across line-of-business boundaries.

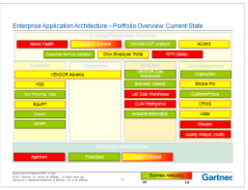
Business Capability Modeling: Level 1

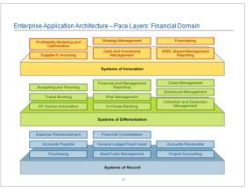


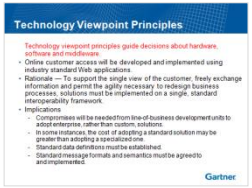
S3. Countywide Enterprise Architecture – Strategic Composition

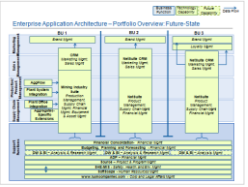
Representative artifacts produced from an EA Strategy – *Strategy Creation*

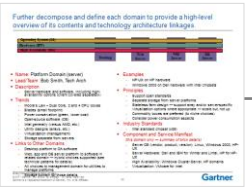
- Develop current-state application portfolio view atop anchor model
- Analyze pace-layers for Loews Hotels based upon current-state portfolio and enterprise context
- Develop application architecture and technology architecture principles
- Develop conceptual, future-state application architecture
- Analyze technology architecture domain model for primary points of impact
- Develop technology architecture domain overviews







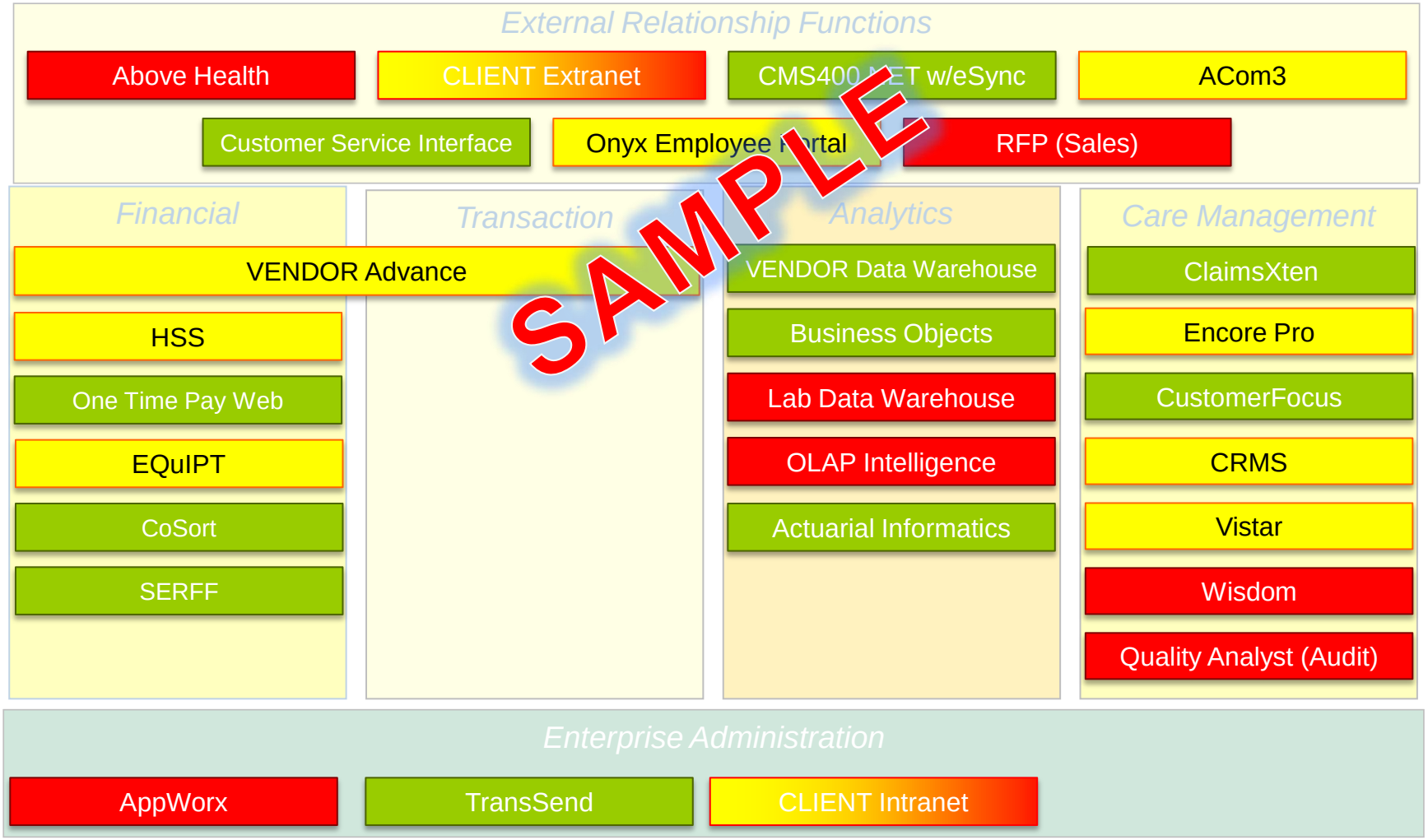




S3. Countywide Enterprise Architecture – Strategic Composition

Representative artifacts produced from an EA Strategy

Enterprise Application Architecture – Portfolio Overview: Current-State



Business Adequacy

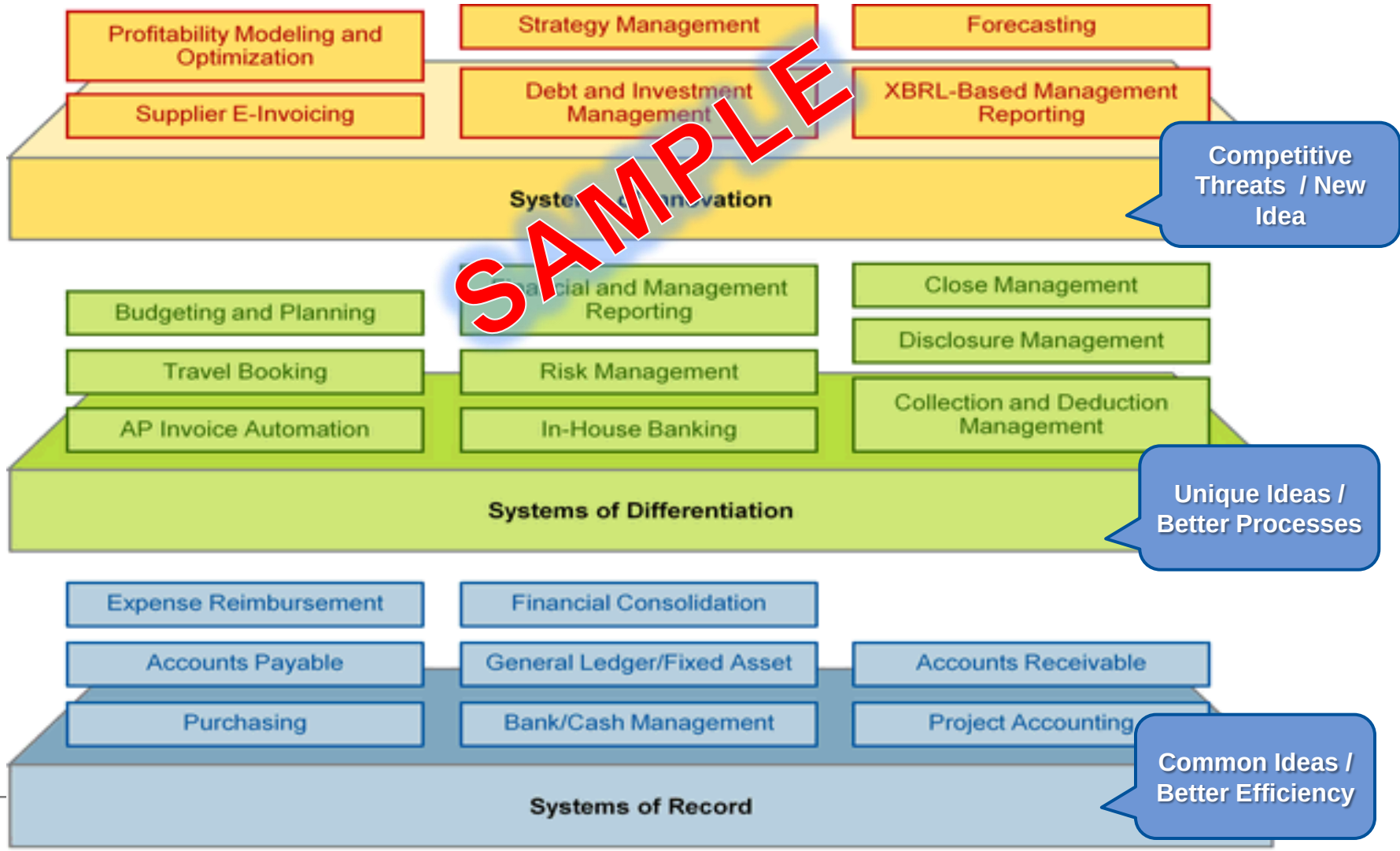
Hi Lo

Gartner

S3. Countywide Enterprise Architecture – Strategic Composition

Representative artifacts produced from an EA Strategy

Pace Layer Approach to Apps Strategy

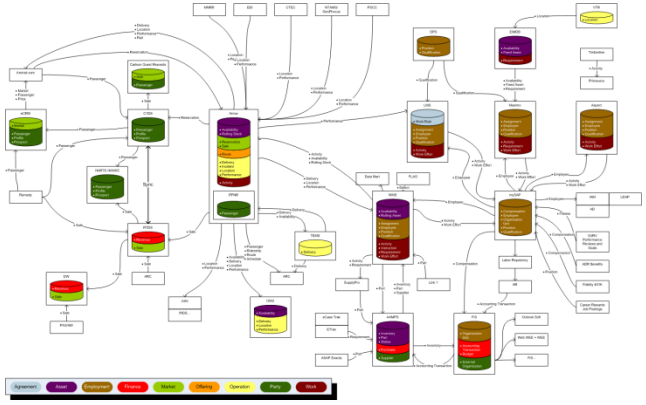


S3. Countywide Enterprise Architecture – Strategic Composition

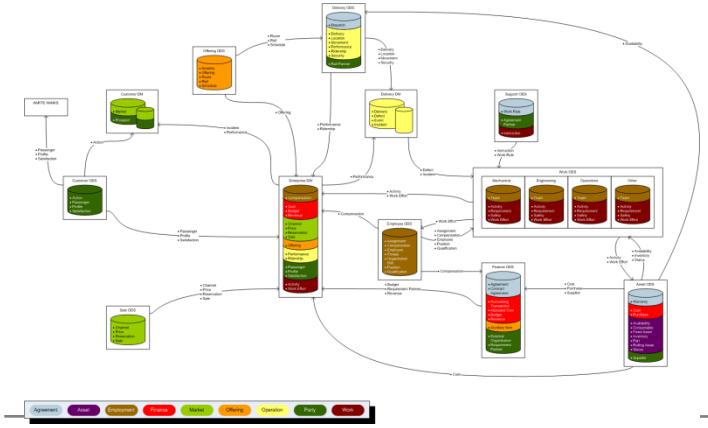
Representative artifacts produced from an EA Strategy

Data Architecture Strategy

Current Information Distribution



Target Information Distribution



- Data Distribution Diagrams & Roadmap can topics such as defining:
  - Defining the data storage needs / vision
  - Defining the data warehouse needs / vision
  - Defining an MDM implementation approach for entity-XYZ

Description		
From	**Entity**	**Notes**
	Inventory	Requisition changes and purchase data
		Balance-on-hand
		Inventory
		Request status
	Part	Item catalog
		Manufacturer cross reference
		Parts
	Status	Commitments
	Purchase	Requisition changes and purchase data
		Ordered items
	Supplier	Manufacturer cross reference
ASAP Exacta	Part	Used parts
e-Trax	Requirement	Requests for parts and services
FIS	Accounting Transaction	Tax payments and garnishments
SupplyPro	Part	Charge for parts issues at location
WMS	Part	BOM Requests

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